



Minnesota Workers' Compensation
Insurers Association, Inc.
7701 France Avenue South Suite 450
Minneapolis, MN 55435-3200

May 19, 1999

ALL ASSOCIATION MEMBERS

Circular Letter No. 99-1318

RE: MWCIA 1998 Annual Report

We are pleased to present you with the 1998 Minnesota Workers' Compensation Insurers Association Annual Report for your review. This report provides members and others with basic information about MWCIA and includes many of the significant events of 1998 that helped to shape the activities of MWCIA during the past year. We hope you will gain a good understanding of the variety of operations performed by MWCIA during 1998 as you read through the report. A draft copy of the minutes of the 1999 Annual Meeting held April 20, 1999 at the Decathlon Club in Bloomington, Minnesota is also attached for your review.

Here is a short sampling of MWCIA's significant achievements and activities of 1998:

- Advancement of the 1999 Ratemaking Report release schedule
- Successfully collaborating with several organizations to create a Minnesota Self-Insurers' Statistical Data Manual
- Development of an integrated client server database as a shared technology with North Carolina and Wisconsin, through the joint venture industry group known as ACCCT, scheduled to deploy mid-summer 1999
- Upgrading of the "BEEP" PC software product which was developed by 9 states in 1997 as a cooperative effort through the joint venture industry group known as ACCCT
- Completion of a project to verify and upgrade all MWCIA systems to be Year 2000 compliance
- Strengthened communication between MWCIA and several state agencies and industry organizations
- Development of a new and improved MWCIA website @ www.mwcia.org to be implemented in early 1999

By focusing on a positive and proactive approach to business, MWCIA was also able to provide value to its membership as it continued to enhance the many products and services that are made available through our organization. As MWCIA positions itself for the next millennium, we will continue to be a proactive, forward thinking organization dedicated to serving the Minnesota workers' compensation industry. We appreciate your continued support of our organization and wish you a prosperous and productive year!

Sincerely,

Bruce A. Tollefson, CIC
President



Minnesota Workers' Compensation Insurers Association, Inc. 7701 France Avenue South Suite 450 Minneapolis, MN 55435-3200

DRAFT COPY

April 20, 1999

ALL ASSOCIATION MEMBERS

MINUTES OF THE 1999 ANNUAL MEETING OF MEMBERS

The Annual Meeting of the Minnesota Workers' Compensation Insurers Association, Inc. (MWCIA) was called to order by President Bruce Tollefson at 10:00 a.m., Tuesday, April 20, 1999, at the Decathlon Club, 1700 East 79th Street, Bloomington, Minnesota.

President Tollefson welcomed the representatives of members in attendance and proceeded with the taking of the roll call. Vice President Linda Hanson presented the Notice of Annual Meeting dated March 16, 1999, as proof of proper notification of the meeting. By unanimous consent a reading of the Notice was waived. Ms. Hanson then presented an affidavit regarding the mailing of the Notice of Annual Meeting and Proxy materials to each of the members of MWCIA.

Ms. Hanson was then called upon to report as to the presence of a quorum. Ms. Hanson reported that nineteen (19) members had registered and seventy-four (74) members were represented by Proxy on file at MWCIA. This represented more than 25 percent of all members entitled to vote and the presence of a quorum for the transaction of business was declared.

Approval of the Minutes of the 1998 Annual Meeting

President Tollefson reported that the Minutes of the 1998 Annual Meeting had been prepared and distributed on February 17, 1998. There have been no additions or corrections to the Minutes. By unanimous consent, a reading of the minutes was waived. It was moved and unanimously carried that the minutes be approved as submitted.

Election of Directors

President Tollefson announced that the next item of business was the election of directors. The following four-year director terms have expired:

<u>Director</u>	<u>Represents</u>	
Mr. David LeBlanc	American Compensation Insurance Company	Stock
Mr. David Young	Liberty Mutual Insurance Company	Non-Stock
Mr. David Kielsa	SAFECO Insurance Companies	Stock
Ms. Patricia Johnson	State Fund Mutual Insurance Company	Non-Stock
Mr. Thomas McCarty	Zurich U.S.	Stock

President Tollefson appointed Mr. Eugene Miller of Western National Mutual Insurance Company to act as Chair for the non-stock caucus and Mr. Bruce Kaufenberg of the St. Paul Companies to act as Chair of the stock caucus.

Following a recess for caucus voting, Mr. Miller reported that Ms. Patricia Johnson of State Fund Mutual Insurance Company had been elected to succeed herself for a four-year term. He also reported that Mr. David Young of Liberty Mutual Insurance Company had been elected to succeed himself for a four-year term.

Mr. Kaufenberg reported that Mr. David LeBlanc of American Compensation Insurance Company had been elected to succeed himself for the four-year term. Mr. David Kielsa of SAFECO Insurance Companies was nominated to succeed himself for a four-year term. Mr. Thomas McCarty of Zurich U.S. had been elected to succeed himself for a four-year term. Mr. Calvin Hiraoke of TIG Insurance Company had been elected to succeed himself for a four-year term.

The following persons will serve as members of the Board of Directors of MWCIA in 1999:

<u>Director</u>	<u>Representing</u>
Mr. David LeBlanc	American Compensation Insurance Company
Mr. David Young	Liberty Mutual Insurance Company
Mr. Thomas Hutchison	Lumbermen's Underwriting Alliance
Mr. Bill Paumen	Meridian Citizens Mutual Insurance Company
Mr. David Kielsa	SAFECO Insurance Companies
Mr. Bruce Kaufenberg	St. Paul Companies
Ms. Patricia Johnson	State Fund Mutual Insurance Company
Mr. Calvin Hiraoke	TIG Insurance Company
Mr. Eugene Miller	Western National Mutual Insurance Company
Mr. Thomas McCarty	Zurich U.S.
Mr. Matthew Winkel	Wilson-McShane Corporation (Public Member)
Mr. John Diehl, Esq.	Larkin Hoffman & Daly & Lindgren Ltd. (Public Member)

At the conclusion of this portion of the meeting, President Tollefson thanked the Board of Directors for their continued support.

Report of the President

President Tollefson gave an overview of the major accomplishments and events at MWCIA during 1998.

There being no further business to come before the membership, President Tollefson declared the meeting adjourned at 10:35 a.m.

Respectfully submitted,

BRUCE A. TOLLEFSON
President