



**EXECUTIVE BOARD
Committee Meeting Minutes**

**Wednesday, November 28, 2018
IRMA Office
9:30 a.m.**

PRESENT: Jessica Frances, Chair
Peggy Halik
Michael Braiman
Kathleen Gargano
Bridget Wachtel
Lisa Scheiner
Eric Helm

**ALSO
PRESENT:** Margo Ely
Dan LeTourneau
Jennifer Swahlstedt
Susan Garvey
Rita Boserup
Donna Sluis

ABSENT: Julia Cedillo
Michelle Robbins

I. CALL TO ORDER

Chair Frances called the meeting to order at 9:33 a.m. Roll was taken, and a quorum declared.

II. APPROVAL OF MINUTES – October 3, 2018

A motion was made by Helm and seconded by Braiman to approve the October 3, 2018 meeting minutes. A voice vote was called, and the motion carried.

III. INFORMATIONAL ITEMS

A. Reports for information only, found in the Member Section of the IRMA website –
<http://www.irmarisk.org/Publications/IRMA-Reports.aspx>

- IRMA Financial Statements
- IRMA Investment Portfolios
- IRMA Payables
- 2nd Quarter Investment Performance Report
- Membership Recruitment Report

B. Standing Committee Reports

Membership Relations Committee

- Membership Recruitment Report – October
- IRMA Participation Program – Update/Recommendation
- Workers' Compensation Focus Program – 3rd Quarter Results

Administration & Finance Committee

- No informational items

Training & Education Committee

- 2018 Education Summit
- On-Site Training Survey
- Grant Administration
- 2019 Training and Risk Management Program Proposal

Coverage, Claims & Litigation Committee

- No informational items

IV. CHAIR'S REPORT - FRANCES

- **Nominating Committee Report – Slate of Candidates for 2019 Officers**

Gargano thanked Scheiner for continuing as the At-Large Representative for Small Member. There were two (2) people interested from the same community for the at At-Large Representative and went with the one that had more experience with the IRMA communities, but both are equally good candidates. Ashley Engelmann from Libertyville was chosen for the At-Large Representative. Gargano thanked Braiman, Helm and Frances for their efforts and contribution.

V. ACTION ITEMS

A. MEMBERSHIP RELATIONS COMMITTEE – WACHTEL

1. Mount Prospect Claims Handling - WC

Wachtel reported you might recall we made the similar decision with regard to Mount Prospect's general liability claims. They are looking for IRMA to take over their previous workers' compensation claims beginning January 1, 2019. We will be applying the same formula that we applied for their general liability claims. This item went through both the Membership Relations Committee as well as the Coverage, Claims & Litigation Committee. Both committees were supportive. After that point and time, staff found out the exact number of claims is 13 and the total payment from Mount Prospect will be \$16,972.50. A motion was made by Wachtel and seconded by Helm to approve as presented. The motion carried.

ADMINISTRATION & FINANCE COMMITTEE – HELM

2. 2018 Final Interest Income Credit

Helm reported both of these items had a lot of discussion at the meeting. The first item, on page 73 of the packet, is the 2018 Interest Income Credit. This item was discussed at the last Executive Board meeting. As you may recall, there is a large credit available due to investment income and to positive adjustments to the loss reserve. This credit is \$31 million, of which it is recommended that IRMA return \$11 million of interest income to the membership in December. This will leave a balance of \$20 million, which has been discussed using this \$20 million as a Contingency Fund. This idea will be discussed at the 2019 Strategic Planning Workshop. Wachtel posed the question, if it's determined in the future that \$20 million is too high would there be an adjustment? Ely commented yes. Wachtel commented that we need to point that out because there could be some criticism from the larger

group that IRMA is holding on to too much money. After some discussion, a motion was made by Helm and seconded by Halik to concur with staff's recommendation to return \$11 million of interest income credit to members in December 2018. The motion carried.

3. 2019 Final Budget

Helm reported on the 2019 Final Budget. The budget established uses a contribution rate of \$2.044, which is an increase of 2.4% from the rate that was established last year. The Administration budget decreased by 1%; the commercial insurance increased by 6.8% and the loss fund, which is 80% of the budget decreased by 4.7%. The overall budget increase is attributable to a lower amount utilized for rate stabilization. \$2.5 million has been designated for rate stabilization compared to \$5 million which was designated in 2018. The AFC previously discussed using PTELL to determine how much we should utilize for rate stabilization. Ely stated there is a real concern on AFC regarding the sustainability of rate stabilization on an annual basis. The committee felt comfortable that \$2.5 million, half of what was last year and try to wean ourselves off relying on rate stabilization. We will need to determine an appropriate philosophy regarding rate stabilization moving forward. A motion was made by Helm and seconded by Halik to approve the 2019 budget at \$36,266,997 and to utilize \$2,500,000 as rate stabilization. The motion carried.

C. TRAINING & EDUCATION COMMITTEE – SWAHLSTEDT FOR ROBBINS

1. Training and Risk Management Committee Responsibilities

Swahlstedt reported changes are being recommended for the Training & Education Committee, including incorporating risk management activities and changing the committee name to the Training and Risk Management Committee for 2019 (TRMC). Swahlstedt gave an overview of the changes to the Statement of Responsibility on page 87 of the packet. Pages 88-92 provide some examples of new and dynamic reporting for the TRMC. Frances commented that she used to be on the committee and would get frustrated by how limited things would be of what our function was and she's happy to see this kind of evolution of this committee. A motion was made by Gargano and seconded by Helm to approve the Training and Risk Management Committee Responsibilities. The motion carried.

D. COVERAGE, CLAIMS & LITIGATION COMMITTEE – GARVEY FOR CEDILLO

1. Modification to Uninsured/Underinsured Motorist Coverage

Garvey reported this is a modification to the Uninsured/Underinsured Motorist Coverage. Back in 2001, we took the limits down from \$1 million to \$500,000 due to concerns that employees being paid workers compensation benefits could potentially access \$1 million. We put in a workers' compensation exclusion so that any employee who is receiving workers' compensation is excluded from coverage from the UM/UIM coverage. There has been a legal question if this is a valid and an enforceable exclusion. While staff believes the exclusion is proper since we are a risk pool versus an insurance

company, staff recommends an additional reduction in order to simply avoid the issue, which would require a costly declaratory action as to whether or not that is a valid exclusion. In the past 4 years, there have been 8 cases involving an employee who received workers' compensation benefits and sought UM/UIM benefits. The committee raised two (2) concerns, the first was they wanted to confirm there was still some coverage available for a family member who might be in a village vehicle if they get hit by somebody who doesn't have enough insurance and the other was if we don't have to have it then why do we have it at all. Garvey responded that family members would still be entitled to the coverage, although at a lower number and pointed out that a lack of any such coverage could impair our recruitment efforts. A motion was made by Helm and seconded by Braiman to approve the recommended changes to the IRMA Uninsured and Underinsured Motorist Coverage ("UM/UIM") to reduce the limits from \$500,000 to \$50,000. The motion carried.

2. RFP Process for Defense Counsel Panel

Garvey reported that since she has been at IRMA, there has only been one (1) RFP Process for Approved Defense Counsel Panel. Staff is recommending that we consider an RFP process every 7 years. It would be a recommendation coming from Ely and then take it to the CCLC. We thought 7 years was a good time frame to consider the process. The CCLC was favorable and thought it was a good idea. A motion was made by Halik and seconded by Gargano to approve section 6.06 of the Claims Manual. The motion carried.

EXECUTIVE DIRECTOR/STAFF REPORT

1. Website Redesign – Member Forum

Ely commented that there will be a presentation at the board meeting on the new Member Forum on how to use the discussion forum.

2. Calendar of 2019 IRMA Meetings

Ely commented that this is the calendar of our 2019 meetings.

3. Schedule for 2019 AGRiP, PRIMA, RIMS Meeting Dates

Ely commented these are the dates for the 2019 AGRiP, PRIMA and RIMS meetings.

4. Park Forest Revenue Base Appeal

Ely reported that under our bylaws, a member that is denied a revenue base deduction has a right to appeal the denial. Park Forest asked for a deduction for a pass-through grant that they received, and our bylaws do not allow for the deduction. The question of whether pass-through grants are subject to deduction has been discussed by the membership quite a few times over the years. The Appeals Committee convened and had Mark Pries, Finance

Director/Deputy Village Manager participated via phone, and after some discussion, the committee denied the appeal. Staff had a discussion with Tom Mick, Village Manager. He generally was questioning why it is we would consider a pass-through money as having any impact at all on risk. This appeal would only impact their total contribution by about \$5,000. Mick indicated he understood the decision, but he would like us to pursue the policy question at the next AFC meeting. The Executive Board needs to consider this appeal if you want to affirm the appeals committee then it's a majority. A reversal of the decision would require a 2/3 vote. There was some discussion on this appeal. A motion was made by Halik and seconded by Helm to affirm the appeals committee decision. The motion carried.

VI. EXECUTIVE SESSION

A motion was made by Helm and seconded by Braiman to move into Executive Session to discuss matters of: pending litigation and personnel pursuant to 5 ILCS 120/2(c)(21), (11) and (1) respectively.

A roll call vote was called, and the motion carried.

VII. ADDITIONS TO AGENDA

None

VIII. CONFIRMATION OF NEXT MEETING

Frances stated the next scheduled Executive Board meeting is Wednesday, February 27, 2019 at 9:30 a.m. at the IRMA office.

IX. ADJOURNMENT

A motion was made by Halik and seconded by Braiman to adjourn the meeting. A voice vote was called, and the motion carried.

Submitted by:

Approved by:

Margo Ely
Executive Director

Jessica Frances
IRMA Chair



MEMORANDUM

TO: Membership Relations Committee

FROM: Dan LeTourneau, Director of Risk Management Services

DATE: January 25, 2019

RE: 2018 Membership Relations Committee Goals and Objectives Accomplishments

Action Requested: Approve the results of the 2018 objectives for the Membership Relations Committee.

Background/Discussion:

Below are the 2018 objectives for the Membership Relations Committee (MRC):

1. Monitor and enhance WC Focus Program based on program results.
 - Evaluate program participants as part of the Annual Claims to Contribution Report process to determine their status in the program for 2018. **(Completed - All retained in program except Westchester and Tinley Park)**
 - Recommend a new program participant to replace the Village of Westchester with a member in need of assistance to reduce their overall workers' compensation experience. **(Completed – Village of Morton Grove added to the program)**
 - Revise the Part II Program Excel report, which tracks quarterly activities by member departments. Add report tabs to improve ease of member use. **(Completed – Revised Part II Form to Excel with separate tabs for each quarter. Added the Village of Morton Grove effective 1/1/19.)**
2. Market IRMA to prospective medium to large municipalities with a focus on training, risk management services and optional higher deductible programs including attending local municipal conferences. **(Completed – Please see Recruitment & Retention memo which outlines activities. Sponsoring & attending multiple local municipal conferences/events including ILCMA, Metro Managers, IAMMA, IGFOA, and most recently IPELRA.)**
3. Oversee the 2018 IRMA Summer Onsite Safety/Risk Management Internship Program.
 - Pursue two qualified interns as available to work onsite at member locations. **(Completed – Retained Morgan Pfafman & Vincent Manna)**
4. Review Participation Program to evaluate the need to incentivize members to attend Board of Directors meetings. **(Completed research and sent several options for revisions to the Executive Board for review. Recommended no changes at this time and to review in 2018 if improved software was implemented to track training participation. Please see Participation Memo in MRC packet.)**

5. Complete website revision to improve site aesthetics and functionality including the addition of a departmental list serve. **(Completed – Newly Revised website rolled out at IRMA Summit)**
6. Evaluate the possibility of combining the Training & Education Committee with the Member Relations Committee. **(Completed - Discussed at both MRC & TEC. Decided to retain both MRC & TRMC (TEC) and conduct a joint meeting as needed)**

Recommendation: Concur with staff's assessment of the results of the 2018 Membership Relations Committee objectives.

Membership Relations Committee (2/13/19): The MRC approved the 2018 Goals & Objectives year-end results.

DLT/II



MEMORANDUM

TO: Membership Relations Committee

FROM: Dan LeTourneau, Director of Risk Management Services
Jennifer Swahlstedt, Risk Management & Training Manager

DATE: January 28, 2019

RE: 2019 MRC Objectives

Action Requested: Approve the 2019 objectives for the Membership Relations Committee.

Background/Discussion:

Below are the 2019 objectives for the Membership Relations Committee (MRC):

1. Monitor and enhance WC Focus Program based on program results.
 - Evaluate program participants as part of the Annual Claims to Contribution Report process to determine their recommended status in the program for 2019.
 - Recommend new program participants as part of the State of the Membership Report process which is approved by the IRMA Board of Directors at their June meeting.
 - Evaluate and revise as needed the Part II Quarterly Objectives Excel report form which tracks quarterly activities by member departments.
2. Market IRMA to prospective medium to large municipalities with a focus on training, risk management services and optional higher deductible programs including sponsoring and attending statewide municipal conferences such as ILCMA, IAMMA, NIU MPA Program and IPELRA.
3. Oversee the 2019 IRMA Summer Onsite Safety/Risk Management Internship Program.
 - Pursue two qualified interns as available to work onsite at member locations and in the IRMA office.
4. Review the effectiveness of the existing internship program to evaluate if a year-long program would better serve the membership and IRMA staff.
5. Coordinate risk management programs and services with Training & Risk Management Committee (TRMC) as needed.
6. Review and add member expulsion procedures to the Statement of Guidelines for Membership Selection, Withdrawal & Expulsion.
7. Exploration of social media involvement to further marketing and retention efforts.

Recommendation: Concur with staff's Proposed 2019 MRC Objectives.

Membership Relations Committee (2/13/19): The MRC approved the 2019 Committee Goals & Objectives with the addition of goal # 7. Exploration of social media involvement to further marketing and retention efforts.



MEMORANDUM

TO: Membership Relations Committee

FROM: Dan LeTourneau, Director of Risk Management Services
Jennifer Swahlstedt, Risk Management & Training Manager

DATE: January 30, 2019

RE: Workers' Compensation Focus Program – 4th Quarter Reports

Purpose: The purpose of this memorandum is to provide the MRC with a review of the 4th Quarter, 2018/Annual Workers' Compensation Focus Program (WCFP) member update.

Background: The IRMA WCFP began on April 1, 2016 with participating members identified as the Village of Brookfield; Carol Stream; Roselle and Westchester. The Village of Westchester was removed from the program at the end of 2017 resulting from progress made in the program and their issuance of a Notice of Intent to Withdraw from IRMA. The Village of Morton Grove was recommended to participate in the Workers' Compensation Focus Program as part of the State of the Membership/Annual Claims to Contribution Report, which was approved by the IRMA Board of Directors at the June 12, 2018 meeting. The Village of Morton Grove participation in the Workers' Compensation Focus Program began as of January 1, 2019.

Discussion: Prior to the 4th Quarter meetings, staff conducted an internal review of the program. Staff noted that there were many goals that were important organizational risk management goals, but they lacked specific application to the specific workers' compensation losses and challenges faced by each member. Additionally, the goal tracking progress was clunky and difficult to monitor goal status. To streamline the process and refocus member goals, staff developed and recommends utilization of a new worksheet. The workbook should be modified for each department to set goals with quarterly milestones to better manage goal completion. Staff anticipates the use of the new forms should increase continuity of the program, assist members with tracking to goal completion, and allow accomplishments to be easily identified. The worksheet will be optional for members enrolled in the program prior to 2019, but mandatory moving forward. Staff is committed with working with WCFP members to continue to streamline the goal setting, tracking and reporting process.

Additionally, staff is requesting that all enrolled members submit supporting documentation of goal completion. While the goal worksheet provides status, staff will also review member accomplishments. For example, if a member has an ongoing goal of conducting safety committee meetings, they will be required to submit several committee agendas and minutes for staff review. Once it is determined the member has excelled at implementation or achieved the goal it can then be removed from the WCFP worksheet. Safety-based goals should be continued, however are no longer necessary for staff oversight. This also provides the necessary documentation for graduation from the program.

The 4th Quarter Meeting packets included detailed claims reports of open workers' compensation claims encouraging a productive and enlightening dialogue about the importance of return to work and accident review for risk prevention. This focus on open losses, jumper score claims and return to work should reduce the severity losses and increase awareness of proper claim management.

Staff reviewed the criteria for graduation (removal) from the program with all members as well. It was discussed that the above changes to the program would assist in the graduation from it. Staff will be using updated claims data (Spring 2019) to make recommendations for removal from the program. It was also noted that the criterion for removal is used in conjunction with staff expertise and discretion.

Below is a brief 4th Quarter, 2018 overview for each of the WCFP participants:

Village of Brookfield

The Village of Brookfield completed the 4th quarter of 2018 with a year-end workers' compensation claim frequency of 16 versus their annual IRMA target of 11, resulting in a year -end variance of 146% of target. Their 4th quarter claim frequency went down to 1 from 6 in each of their first two quarters. The Village demonstrated a significant in their frequency in the second half of 2018. The Village's 4th quarter workers' compensation claims experience was significantly reduced to \$1,950 compared to a previously quarterly average of \$159,409 for 2018. The Village's overall claims experience for 2018 was \$480,176 as compared to their target of \$181,225 resulting in annualized variance of target of 265%. A total of three large workers' compensation claims, two in Police and one in Public Works resulted in \$362,937 of the total 2018 workers' compensation claims experience or 76% of their annual experience.

Due to the increased frequency and severity in losses, much of the discussion was focused on claims reporting and management as well as the challenges to increasing safety awareness/culture within the organization. In addition to the goals set by the Village, staff has tasked the Village with the following 2019 goals: 1) Reconstituting every Department's Safety Committee and the Executive Safety Committee, 2) Reconstituting the Village's Behavior Observation Program, 3) Implement an intensive Village-Wide Return to Work Program, 4) Increase Employee Safety Culture and Wellness Initiatives. Staff provided the Village with sample quarterly milestones to ensure these goals are manageable throughout the year. Brookfield is encouraged to use the new worksheet to better assist in goal tracking. Additionally, staff will coordinate additional training (claim form completion, workers' compensation costs, accident investigation, root cause analysis, accident review boards and safety committees) and attend upcoming meetings (accident review board and safety committee) to help the Village achieve these goals.

Village of Carol Stream

The Village of Carol Stream completed the 4th quarter of 2018 with a year-end workers' compensation frequency of 19 as compared to their annual IRMA target of 15, resulting in an annualized variance of 127% of target. The Police Department incurred 14 claims in 2018. Four claims resulted from officer encounters with combative subjects and three were from police squads rear-ended by third parties. Public Works incurred 5 claims in 2018. The Village's total year to date workers' compensation experience finished the year below their IRMA target at \$242,396, as compared to their annual severity target of \$275,114, resulting in an annualized

variance of target of 88%. The vast majority of all the Village's 2018 workers' compensation loss experience or \$191,946 (70%) resulted from two isolated police claims; one combative arrestee and one defense tactics training injury.

Carol Stream Police Department has begun the process of participating in a two-year Taser study to evaluate the anticipated effectiveness in reduce the frequency of officers injured from combative encounters which has been the cause of numerous police workers' compensation claims. The Study will provide the department with equipment, training, sample policies along with an academic researcher. Staff anticipates the frequency and severity of losses associated with combative subjects will trend down once the implementation begins.

Carol Stream continues to set and achieve realistic goals to reduce the cost of risk within their organization. Graduation from the program in 2019 was discussed with the Village. Staff will provide a full analysis with final recommendations once the 5-Year Claims Experience data is run (Spring 2019) but anticipates recommending removal from the program.

Village of Roselle

The Village of Roselle completed the 4th Quarter of 2018 with just one additional workers' compensation claims in the 4th quarter for a total of nine for 2018. This compares favorably with their target of 10 for an annual variance of target of 90%. The Village's overall 4th quarter claims experience was only \$3,150 for all operating departments. Overall, the Village's 2018 annual claims experience was just \$17,190 for all departments as compared to their annual target of \$194,765 for an annualized variance of just 9%. This represents another significant reduction for total workers' compensation claims experience. Roselle's 2017 total workers' compensation experience was also below target at \$111,607 versus their 2017 annual target of \$217,396 resulting in an annualized variance of target of only 51%. The Village's workers' compensation experience continues to track well below their IRMA targets.

Staff reviewed with the Village the importance of setting goals targeted at reducing workers' compensation losses. Other training or risk management planning should be continued and tracked, but no longer as part of the WCFP. Staff recommended the Village use recent Regulatory Assistant Visit and Hazard Survey Visit reports to set goal priorities. Program graduation was also discussed with the Village. The Village has a 2-year history (2017 & 2018) of frequency and severity of claims below targets. Staff recommended providing supporting documentation of achieved goals at the next quarterly meeting. These items, along with staff analysis of Roselle's 5-Year Claims Experience data (Spring 2019), make Roselle a possible candidate for program removal. Staff will provide a full analysis with recommendations at the next MRC meeting.

Village of Morton Grove

The Village of Morton Grove joined the program effective January 1, 2019. During the 4th Quarter of 2018, staff met with the Village officials to kick-off the program and assist with 2019 1st Quarter goal setting.

Recommendations: Review and accept the 4th Quarter/2018 annual 2018 Workers' Compensation Focus Program Reports from the participating members.

Membership Relations Committee (2/13/19): The MRC accepted the 4th Quarter 2018 Workers' Compensation Focus Program Reports from the three 2018 participating members with the Village of Morton Grove joining the program as of 1/1/19.

DLT/II

Attachments: New WCFP Goal Worksheet
 WCFP Criterion
 Part I Report Q4 2018-Brookfield
 Part I Report, Q4 2018– Carol Stream
 Part I Report Q4 2018-Roselle

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THE WORKERS' COMPENSATION FOCUS PROGRAM

The IRMA Workers' Compensation Focus Program was developed to address the number one driver of the Pool's adverse loss experience resulting in over 70% of all pool loss experience. Beginning in the second quarter of 2016, the Membership Relations Committee (MRC) began to oversee this new workers' compensation loss reduction program. Detailed analysis of members' workers' compensation loss frequency and severity, including five-year comparisons of workers' compensation claims to member targets and loss fund contributions will be utilized to identify members which may benefit from the program. Members meeting the Workers' Compensation Focus Program criteria will receive additional assistance and resources needed to address their adverse workers' compensation pattern or trend. Members included in the Workers' Compensation Focus Program are required to prepare quarterly progress reports for review by the Membership Relations Committee. IRMA staff meet with these members on a quarterly basis to review their progress and develop additional resources to assist the participating members in reducing their overall workers' compensation losses.

Workers' Compensation Focus Program Criteria

The following objective criteria, adopted by the Board of Directors, are used by IRMA staff and the Membership Relations Committee for recommending assignment of members to the Workers' Compensation Focus Program:

1. The FIRST indicator will be the member's five-year ratio of total incurred claims experience to loss fund contribution exceeds 100%.
2. The SECOND indicator will be the member's five-year average total incurred workers' compensation claims experience to member target exceeds 150%.
3. The THIRD indicator will be at least three out of the last five loss years with a Workers' Compensation Claims Experience to Member Target ratio exceeds 150%.
4. The FOURTH indicator will be the member's five-year average workers' compensation claims frequency to target exceeds 125%.
5. Claims for members meeting the indicators under 1 through 4 above shall be examined and further analyzed. If there are a few isolated large individual losses that when removed from the statistics the five-year average claims to member target ratio would drop below 150%, then the member may not be recommended for the Workers' Compensation Focus Program. These few large isolated claims may not be representative of an adverse workers' compensation pattern or trend.

Criteria for Removal from the Workers' Compensation Focus Program

The Membership Relations Committee shall use the following criteria for removal from the Workers' Compensation Focus Program.

- Combined five-year overall claims experience to loss fund contribution ratio below 100%.
- Five-year total workers' compensation total incurred claims experience to target of below 100%.
- Two of the last three individual years with workers' compensation claim experience below IRMA targets.
- Documented Improvements made to a member's risk management program policies and procedures.

The normal term of participation in the Workers' Compensation Focus Program will be for a period of not less than two (2) years and not more than five (5) years. Any member not meeting the criteria for removal from the Program within five (5) years will be reviewed by the Membership Relations Committee for possible additional actions, including but not limited to a requirement to select a higher IRMA deductible.



Workers' Compensation Focus Program Report - Part 1
as of December 31, 2018

Member: Brookfield
2018 Deductible: \$25,000

Assigned to Program: 2018

FREQUENCY						
Department	Workers' Compensation					
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	YTD	2018 Member Target
Fire	2	0	1		3	
Police	2	2	1	1	6	
Public Works	2	4	1		7	
Total	6	6	3	1	16	11
						145.5%

Five (5) Year Avg.
WC = 15

IRMA Targets
WC = 11

2018 YTD*
16

EXPERIENCE						
Department	Workers' Compensation					
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	YTD	2018 Member Target
Fire	14,750	0	1,045		15,795	
Police	86,126	3,420	164,898	1,950	256,394	
Public Works	187,148	18,939	1,900		207,987	
Total	\$288,024	\$22,360	\$167,843	\$1,950	\$480,176	\$181,225
						265.0%

Five (5) Year Avg.
WC = \$205,373

IRMA Targets
WC = \$181,225

2018 YTD*
\$480,176

Key: Tracking at Target

Tracking Below Target

Tracking Above Target



Workers' Compensation Focus Program Report - Part 1
as of December 31, 2018

Member: Carol Stream
2018 Deductible: \$10,000

Assigned to Program: 2018

FREQUENCY						
Department	Workers' Compensation					
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	YTD	2018 Member Target
Admin	0	0	0	0	0	
Police	2	3	6	3	14	
Public Works	3	0	2	0	5	
Total	5	3	8	3	19	15
						126.7%

Five (5) Year Avg. IRMA Targets
WC = 21

2018 YTD*
19

EXPERIENCE						
Department	Workers' Compensation					
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	YTD	2018 Member Target
Admin	0	0	0	0	0	
Police	49,738	150,217	32,447	6,800	239,202	
Public Works	2,485	0	708		3,193	
Total	\$52,223	\$150,217	\$33,155	\$6,800	\$242,396	\$275,114
						88.1%

Five (5) Year Avg. IRMA Targets
WC = \$375,578

2018 YTD*
\$242,396

Key: Tracking at Target Tracking Below Target Tracking Above Target



Workers' Compensation Focus Program Report - Part 1
as of December 31, 2018

Member: Roselle
2018 Deductible: \$25,000

Assigned to Program: 2018

FREQUENCY						
Department	Workers' Compensation					
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	YTD	2018 Member Target
Fire	1	2	0		3	
Police	2	0	1		3	
Public Works	0	1	1	1	3	
Total	3	3	2	1	9	10
						90.0%

Five (5) Year Avg. **IRMA Targets**
WC = 12 WC = 10

2018 YTD*
9

EXPERIENCE						
Department	Workers' Compensation					
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	YTD	2018 Member Target
Fire	366	870	0		1,236	
Police	6,571	0	4,902	3,150	14,623	
Public Works	0	514	818	0	1,331	
Total	\$6,936	\$1,384	\$5,720	\$3,150	\$17,190	\$194,765
						8.8%

Five (5) Year Avg. **IRMA Targets**
WC = \$ 363,239 WC = \$194,765

2018 YTD*
\$17,190

Key: Tracking at Target

Tracking Below Target

Tracking Above Target



MEMORANDUM

TO: Membership Relations Committee

FROM: Dan LeTourneau, Director of Risk Management Services
Jennifer Swahlstedt, Manager of Risk Management & Training

DATE: January 28, 2019

RE: Recruitment, Retention and Marketing Efforts – Update & 2019 Plan

Purpose: Provide the MRC with an update on recent member recruitment, retention and marketing efforts.

Discussion:

Marketing/Recruitment

Staff has continued its efforts to recruit new IRMA members with a focus on medium to large municipalities. Please see the attached Membership Recruitment & Retention Report for additional detail. In addition to our direct marketing efforts, IRMA will be conducting the following marketing activities for 2019:

- ILCMA Winter Conference: Sponsor, Attendance & Recruitment Table
- IAMMA Spring Conference: Program Sponsor & Recruitment Table
- Metro Managers Golf Outing: Sponsor & Attendance
- ILCMA Annual - Sponsor
- ILCMA Summer Conference: Sponsor & Recruitment Table
- NIU MPA Golf Playday – Hole Sponsor
- ILCMA – City/County Management in Illinois- IRMA Article
- IGFOA Conference: Attendance & Recruitment Table
- IPELRA – Gold Level Sponsor: Event Sponsorship, IRMA Introduction/Overview at Event, and Recruitment Booth.

During 2019, IRMA will continue to attend and market the Pool at the above conferences and events with our professional pull-up marketing banner, IRMA logo tablecloths, and additional marketing giveaways for distribution at conferences along with promoting the IRMA microsite at www.chooseirma.org.

Additionally, IRMA has been approached by two organizations to provide regional training which will increase name-recognition and branding of services amongst local communities unfamiliar with IRMA. This spring, IRMA will be part of the College of DuPage Public Service Institute series “Leading Teams II”. Staff is also in communication with the local American Public Works Association (APWA) to provide training.

Marketing/Retention

Staff has been increasing its retention efforts by enhancing IRMA branding opportunities with the Safety-First Program and the newly updated *Core Four* training program. The *Core Four Program* focuses on the four basic principles for managing liability and personnel risk (accident investigation, root cause analysis, accident review boards and safety committees). These programs will have their own digital logo to be used on training materials but also on staff

developed safety alerts, bulletins, and posters which will become available to the membership. Staff continues to enhance member benefits including discounts and pooled pricing on services, equipment and software. This allows the organization to remain competitive in the insurance marketplace.

Recommendation: Provide staff with additional feedback related to the information provided.

Membership Relations Committee (2/13/19): The MRC accepted the Recruitment & Retention update report.

DLT/II

Attachments: Membership Recruitment & Retention Report



**2019
MEMBERSHIP RECRUITMENT & RETENTION REPORT
(As of January)**

RECENT RECRUITMENTS

Municipality Special District	Status of Data Submission	Contribution	Accept/Decline Application	Add'l Info.
Village of Huntley	Received Financial & Claim Information	\$374,065/ 10.65% Credit \$2,500 Ded.	Formal Application in 2019.	Provide notice to leave MICA, required to stay until 5/20/20. IRMA quote substantially lower. Met w/ management team on 1/10/19.
Village of Winnetka	N/A	TBD	2019	Met on May 31, 2018. Village will hire a consultant to evaluate in 2019.
Village of Wheeling	N/A	TBD	2019	Discussion at IPELRA 2018. Open to evaluating an IRMA quote. Preparing 2019 quote.
Village of Elmhurst	Received loss data	\$1,334,625 (5.58% credit) 2019-\$2,500 \$775,005 w/ \$100k Ded.	2019	Met w/ Village on 11/6/18 and provided a quote. Village will hire a consultant to evaluate in 2019.
City of Park Ridge	Received loss data	\$979,600 (.49% credit) 2019-\$2,500 Ded.	2019-RFP Process	Responding to RFP Process. Submitted proposal on 1/16/19. \$545,862 w/ \$100k Ded.
City of Wheaton	N/A	TBD	2019	Bob Lenhardt, Finance Director, not interested in a quote in 2018. Will review in 2019.
Village of Blue Island	Received loss data	TBD	2019	Mike Marzal, Dir. of Finance & Admin. Preparing a quote.

Village of Schaumburg	N/A	TBD	2019	Initial marketing set w/Ann Everhart & Howard Stuchel. Requesting an opportunity to prepare a quote.
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APPLICATIONS ACCEPTED / DECLINED / REMOVED FROM SOLICITATION

Municipality/ Special District	Contribution	Accept/Decline Application	Notes
Village of Lincolnshire	\$276,062 (14.20% credit) (2018)	Declined	Moved to a commercial insurance program from the HELP pool.
Village of Highwood	139,304 / 30.69% Debit	Not Acceptable at this time	Out sourced fire/ems. Would like to re-apply in future, per Scott Coren, Village Administrator.
Village of Glen Ellyn	\$492,228 (26.2% credit)/\$2,500 Ded.	Never submitted application	IRMA quote well below current MICA program cost. No coverage detail rec'd. Not pursuing Applic.
Glenbard Wastewater Authority	\$116,587 (16.62% credit)/\$2,500 Ded.	Never submitted application	GWA would come in w/ Village. Not pursuing application.
West Central Consolidated Comm. WC3)	\$50,282/\$2,500 Ded.	Accepted Effective 5/1/18	Consolidated Dispatch: Riverside, Brookfield, North Riverside. McCook by contract.
SEECOM	\$52.315/ (10.10% credit) \$2,500 Ded. /\$29,095 MR	Not Pursued	Consolidated Dispatch. Received lower commercial insurance quote.
LTACC	\$50,000	Accepted	Consolidated Dispatch: LaGrange, LaGrange Park, Western Springs.
Village of Arlington Hts.	\$934,600/\$100k Ded.	Accepted	New Member effective 6/1/17.
Village of Mount Prospect	\$1,065,357 (27.29% Credit) \$100k Ded. = \$596,600	Accepted	New Member effective 1/1/18.
Village of Glenview	\$1,608,992 (32.11% credit) \$100k Ded. =\$917,126	N/A	Selected a commercial insurance program. Removed from solicitation.
Village of Deer Park	\$77,333 (18.10% credit)	Not Feasible	5 employees/1 full time. Services contracted to 3 rd parties. Current IMLRMA Quote \$22k.
SWANCC	\$67,842 (19.10% credit)	Not Feasible	Single service special district which does not need many coverages and most services of IRMA. Current program cost is \$47,512.

MEMBER RETENTION

Municipality/ Special District	Current Contribution	Notice of Withdrawal Received	Notes
Village of Tinley Park	\$1,125,548 (w/ 25.47% credit) \$754,069 - \$50K Ded.	Yes	Withdrawal 1/1/19 – Alliant Board vote of 4-3 to move to significantly higher costed program with much higher deductibles.
Village of Westchester	\$453,215 (w/ 26.4% debit)	Yes	Withdrawal 1/1/19 – Alliant Staff presented a strong rec. to remain in IRMA at 8/28 Board meeting.
Village of Stickney	\$209,541 (w/ 20.15% debit)	No	Approached by Mesirow (Andrew Madigan) to quote. Not interested in leaving IRMA at this time



MEMORANDUM

TO: Membership Relations Committee

FROM: Dan LeTourneau, Director of Risk Management Services
Jennifer Swahlstedt, Risk Management & Training Manager

DATE: January 30, 2019

RE: 2019 IRMA Onsite Summer Safety Internship Program

Purpose: The purpose of this memorandum is to update the Membership Relations Committee (MRC) on the status of the 2019 IRMA Summer Safety Internship Program.

Background/Discussion: The member application process identified members interested in retaining the services of a summer safety intern. The application process ensures that projects identified for the prospective intern meet their technical capabilities and available time frames.

We currently have seven (7) requests from members for summer safety intern assistance which includes one WCFP member. We will offer interns to the three (3) additional WCFP members, as needed. Of the total applications, four (4) members are requesting interns for the first time and three (3) members have previously utilized the services of a summer intern.

Based on review of the member summer safety intern requests, staff is recommending the following internship requests be granted for 2019:

- Village of Arlington Heights
- Village of Bartlett
- Village of Berkeley
- Village of Carol Stream (WC Focus Program Member)
- City of Crystal Lake
- Village of LaGrange
- Village of Lemont

We are in the process of retaining qualified interns for the summer of 2019. Staff has solicited Illinois State University and Northern Illinois University as well as expanded the search for qualified candidates to other universities in the Midwest region. Additionally, staff is attending the University of Wisconsin at Whitewater's Occupational and Environmental Safety and Health internship fair on February 7. Staff expects to have secured two candidates by March 1, 2019.

Recommendation: Approve the 2019 IRMA Summer Safety Intern Assignments. Staff will continue to pursue qualified summer safety interns.

Membership Relations Committee (2/13/19): The MRC accepted the Summer Safety Internship Program Report, including the addition of Burr Ridge if qualified interns are hired. Discussion focused on challenges of securing summer safety interns and looking to expand the intern program as outlined in the 2019 MRC goals. Staff mentioned staffing with MPA Program interns which will be the same costs but provide year-long interns for the members. This idea was well received by the Committee.

DLT/II



MEMORANDUM

TO: Administration and Finance Committee

FROM: Rita Boserup, Director of Financial Services and Administration

DATE: February 13, 2019

RE: 2018 Administration & Finance Committee Objectives Accomplishments

Action Requested: To provide the Committee update on the status of the 2018 Goals of the Committee.

Background/Discussion: The following 2018 IRMA objectives are in the areas of responsibility of the Administration and Finance Committee:

1. Review all the reports that Finance either sends to the members or posts to the website, including information in the report, time frame covered in the report, and last time it was prepared.

I believe that we have reviewed all the reports.

2. Develop and distribute a basic financial guide to IRMA, directed mainly at financial staff that are new to IRMA, including the revenue base, contribution calculations, experience modifier, optional deductible, and cost allocation.

In process and carried over to 2019. An IRMA Financial Basics summary report was developed that has proven useful. Materials were prepared for last year's Summit and for the recent Ad Hoc committee that presented information on some of these topics. Still more work to be done to compile a comprehensive manual.

3. Implement accepting credit cards for payment of subrogation collections. In process and carried over from 2017. We have received several estimates from service providers. We need to determine how to setup the fee charged each payor and the internal control and accounting processes.

First Data was selected for a 6 month trial evaluation. Our first transaction has been processed. We need to work out a fee structure to chargeback the cardholder and establish control and accounting processes.

4. Prepare a Popular Annual Financial Report (PAFR).

Started and carried over into 2019.

5. Implement hosting and upgrading the claims management software (Riskmaster), the LSS (Legal Suite Solutions), and BI (Business Intelligence report writer). This will be the largest project undertaken by IRMA, other than the initial installation of the software in 2002.

It was decided that the most cost effective route is to upgrade our existing systems and move to a hosted environment rather than moving completely to a new provider. Staff is familiar with the basics of the current software, which will shorten training time on the upgraded software, plus there will be little or no data conversion cost. The go live that happened on December 10, 2018 was mostly successful. There are ongoing compatibility issues with the revamped LSS software that DXC is trying to resolve and some issues with report conversions.

6. Review all the insurance/benefit plans that IRMA has in place and evaluate their effectiveness and cost.

We evaluated IPBC and decided to remain with Blue Cross/Blue Shield as they were a lower-cost option. We moved dental, vision, and life to Guardian from MetLife for 2019.

Administration and Finance Committee (2/19/19): The AFC approved the 2018 objectives accomplishments.

Executive Board: For information only.

RB

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MEMORANDUM

TO: Administration and Finance Committee
FROM: Rita Boserup, Director of Financial Services and Administration
DATE: February 13, 2019
RE: 2019 Administration & Finance Committee Objectives

Action Requested: Approve the goals and objectives of the Committee for 2019.

Background/Discussion:

The following are the proposed goals and objectives of the Administration and Finance Committee for 2019:

1. Develop a rate stabilization policy.
2. Develop a contingency fund policy.
3. Develop and distribute a basic financial guide to IRMA, directed mainly at financial staff that are new to IRMA, including the revenue base, contribution calculations, experience modifier, optional deductible, and cost allocation. In process and carried over from 2018. An IRMA Financial Basics summary report was developed that has proven useful. Materials were prepared for last year's Summit and for the recent Adhoc committee that presented information on some of these topics.
4. Prepare a Popular Annual Financial Report (PAFR). This is in the early stages and is carried over into 2019.
5. Decide whether initial claim information should be entered by members in the new claim software and what it would take to make that happen.

Recommendation: Approve the goals and objectives of the Committee for 2019 as presented along with any additional recommendations from the Committee.

Administration and Finance Committee (2/19/19): The AFC approved the 2019 objectives.

Executive Board: For information only.

RB

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MEMORANDUM

TO: Administration & Finance Committee

FROM: Rita Boserup, Director of Financial Services & Administration

DATE: February 14, 2019

RE: Members' Only Site Document Posting

Purpose: The purpose is to decide whether specific reports should be posted to each members' only site instead of being individually emailed out.

Background: Certain financial information is provided to the member's delegate, alternate, and/or finance director/treasurer via individual email. These emails contain the annual contribution letter, optional deductible choices, contribution cost allocation, or member deductible monthly billing and statements.

Discussion:

The above items, other than the monthly billing, are sent out by email to each member, which requires 70 emails to be created each time, the delegate, alternate, and finance director/treasurer selected, and individual schedules attached to each email. If these items were posted to each members' specific site, only one general notification of posted information email would have to be sent out each time. There would be time savings to the sender and the recipients in preparing and reading the emails. The monthly billing is emailed out only to the members that have requested electronic delivery. Postage could be saved by posting all the billing statements to the members' only sites.

Recommendation: To approve posting of these reports to the members' only sites.

Administration and Finance Committee (2/19/19): The AFC approved the Members' Only Site Document Posting.

Executive Board: For information only.

RB/ds



MEMORANDUM

TO: Administration & Finance Committee

FROM: Rita Boserup, Director of Financial Services & Administration

DATE: February 13, 2019

RE: Discussion Regarding Revenue Base Pass-Through Grants

Purpose: The purpose is to discuss a potential revenue base deduction/exclusion for pass-through grants. If supported by the committee, a formal request for the deduction would be brought back to the AFC in May.

Background: The revenue base has always been a controversial method of calculating each member's annual contribution. Revenue base deductions and exclusions started around 1991 and are allowed for certain items that do not expose the member to significant risk. The bylaw list of allowable items has changed over the years. We found documentation that the revenue base was studied by committees in 1992, 1994, 1996, and most recently in 2009.

Certain federal/state grants are required to be funneled through a municipality to another entity. The municipality is merely a conduit and doesn't retain any part of the grant. Under the current system, the municipality has to report the grant as part of the revenue base since the grant is recorded as revenue in the member's audited financial statements.

In 2018, the Village of Park Forest was denied a revenue base deduction in the amount of \$2,527,214 for what is called a pass-through grant. The Village requested an appeal, which was denied on the basis that a deduction/exclusion does not exist in the bylaws for pass-through grants. The appeal committee findings are attached. Although the grant amount is large, Park Forest is one of IRMA's larger members, so proportionally the amount is not that significant. We calculated that the net effect of the deduction denial to Park Forest's single year contribution was around \$5,000, and approximately \$3,000 after their optional deductible credit is applied. As the contribution calculation uses an average of the most recent five years of revenue bases, the total additional contribution amount over the five years is estimated at \$25,000 and \$15,000.

Discussion:

The larger concern is the public relations angle. Management at Park Forest was not thrilled to know that their good works of obtaining a grant for a village business was going to be "penalized" with the cost of insurance for money that the village doesn't even get to keep. There is almost no exposure for a member using a pass-through grant that would justify keeping these funds as part of member revenue which would incur a higher contribution cost. We are proposing that the amount of the grant and other miscellaneous types of revenue that are passed through to another non-member entity be allowed as a deduction from the revenue base, as long as the grants and revenue are not for infrastructure or construction.

It needs to be decided if this would or should include sales tax rebates or other types of development inducement plans.

Following is the proposed change to Section 3.03 of the bylaws concerning the pass-through deductions from the revenue base.

Additional exclusion/deduction:

- 1) Monetary grants and other types of revenue that are received by the member and are passed on to another non-member entity and are not for construction or infrastructure.

Recommendation: To bring back this item at the May AFC meeting to formally start the bylaw change procedure.

Administration and Finance Committee (2/19/19): After much discussion, the AFC declined to proceed with the bylaw change process to allow pass-through grants.

Executive Board: For information only.

RB/ds



MEMORANDUM

TO: Mark Pries, Finance Director/Deputy Village Manager, Village of Park Forest

FROM: Appeals Committee

Jason Bielawski, Village of Roselle
Lynn McCammon, Village of Winfield
Bettina O'Connell, Village of Lake Bluff

DATE: November 15, 2018

RE: Appeal No. 2018-01
Denial of Revenue Base Deduction
Findings of Appeal Committee

On November 13, 2018, at 2:30 p.m., this Committee heard the Revenue Base Deduction Denial Appeal from the Village of Park Forest. The Member was represented by Finance Director Mark Pries. Also in attendance were IRMA Executive Director Margo Ely, IRMA Director of Finance and Administration Rita Boserup and Committee Alternate Colleen Nigg.

Documentation was provided to the committee members regarding the Appeals process, a letter from the member with the details of the appeal, and an IRMA staff memo supporting denial of the deduction. The hearing was adjourned 3:02 p.m. Following deliberation, the Committee made the findings set forth below.

Background

The Village of Park Forest submitted its audited financial statements in accordance with Section 3.08 of the IRMA Contract and Bylaws for the purpose of calculating the Village's annual contribution for 2019. Included in the Village's revenue were monies received from the State of Illinois for construction of a compressed natural gas station and retro-fitting of existing garbage trucks. As a result of those monies being included in the Village's revenues in its audited financial statements, they were used in the calculation of the Village's revenue base. The Village claims that the monies received from the State were not revenue but a "pass through" to Homewood Disposal and files this appeal to the decision to include the revenue in the calculation of the Village's revenue base

The Committee's Decision

After reviewing the documents presented and hearing from all parties present, the Committee unanimously affirmed the decision that the grant revenue is not an exclusion or deduction for the purposes of determining the revenue base.

Findings and Recommendations

Based upon the written Statements of Position provided by each party and after hearing oral comments at the hearing, the Appeals Committee finds as follows:

The Committee finds that there is no exclusion or deduction allowing for pass through grants particularly to an entity that is not a member of IRMA. This issue has previously been considered by the membership and it has been rejected which is why there is no explicit exclusion or deduction for pass through grants. The position presented by Park Forest does not present any compelling reason to reverse or modify the decision to include the grant revenue in the Village's revenue base as doing so would contradict the plain language of the bylaws.

Conclusion

Pursuant to Section 4.04(A)(vi) requires that these findings and recommendations be filed with the IRMA Chair and placed on the next meeting agenda of the Executive Board and be given to the member, who will be invited to attend such meeting of the Executive Board if the member wants to pursue the issue. Section 4.04(A)(vii) further provides that the Executive Board shall review the Appeals Committee's findings and recommendations and accept or reject, in whole or in part, such findings and recommendations. The Executive Board can overturn the Appeals Committee by a 2/3rd vote.

Recommended and submitted to the IRMA Executive Board on this 15th day of November, 2018.

Approved 11-15-18
Jason Bielawski

Approved 11-15-18
Lynn McCammon

Approved 11-15-18
Bettina O'Connell



M E M O R A N D U M

TO: Administration & Finance Committee

FROM: Margo Ely, Executive Director
Rita Boserup, Director of Financial Services

DATE: February 12, 2019

RE: Retain Milliman to assist with Rate Stabilization and Contingency Fund Policies

ACTION REQUESTED: Concur with staff's recommendation to retain the assistance of Milliman (IRMA's actuary) in efforts to establish a policy and parameters to govern rate stabilization and a contingency fund.

BACKGROUND/DISCUSSION: In recent years, the IRMA membership has relied on interest income to "stabilize" rates. (See attached memos for background reference). In late 2018, the membership directed that staff add these considerations to a strategic planning workshop discussion in 2019. Further, the membership approved \$20,000 for consultants to assist with the strategic planning discussion. The attached proposal from Milliman outlines the assistance they can provide to staff as the AFC continues to consider rate stabilization and a contingency fund. At a projected cost of \$10-\$12,000, we believe this should be approved.

RECOMMENDATION: Approve staff's recommendation.

Administration and Finance Committee (2/19/19): The AFC approved the retention of Milliman for these projects.

Executive Board: For information only.

ME/RB/ds
Attachments



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milliman.com

January 31, 2019

Ms. Margo Ely
Executive Director
Intergovernmental Risk Management Agency
Four Westbrook Center, Ste 940
Westchester, IL 60154

RE: *Proposal for Actuarial Services*

Dear Margo:

We are pleased to present this proposal to provide actuarial services regarding an analysis of the contingency fund for the Intergovernmental Risk Management Agency (IRMA). Please contact Doug Nishimura, Richard Frese or Tim Vosicky with any questions.

BACKGROUND

IRMA has a significant amount investment income available this year. This creates an opportunity for strengthening and developing the IRMA for the future. IRMA is evaluating the need and amount of “rainy day fund” (contingency fund to pay unexpected losses). Other factors to be considered are the following:

1. Rate Stabilization – Investment income has been used stabilize rates historically. A questions arises as to whether this practice will remain viable in the future.
2. Future Assessment – IRMA has not assessed its members and does not want to in the future. How will a contingency fund help to eliminate future assessments?
3. Current Significant Investment Income Credit – There is a significant amount of surplus due to investment returns. The possible outcomes should be addressed by IRMA’s fund manager.
4. Growth and Member Retention – One way to grow and retain members is to keep rates competitive and stable. How does a contingency fund help IRMA to attract new members and keep existing members?

OBJECTIVES

The objectives of our study are:

1. Present a quantitative analysis to determine the appropriate contingency fund.
2. Provide examples of formulaic approaches to determine the return of surplus over the contingency fund.
3. Discuss factors to consider such as the PTELL, accessibility, risk sharing, rate stability, competitive rates and pool growth.

An investment return analysis will be needed to determine the fluctuations in market returns. This is a crucial part of determining the appropriate contingency fund.

DATA NEEDED

We will need the same data as provided in past reviews but can rely on what has already been provided. Additionally, we will need to discuss with both IRMA and your fund manager possible loss and variability scenarios.

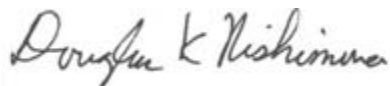
SUMMARY AND COSTS

The cost of our review will be \$10,000 to \$12,000. The costs anticipate one meeting to present our results. If additional work or meetings are needed they will be billed at time and expense. We will not bill any additional time until confirmed by IRMA.

CONSULTANT SERVICE AGREEMENT

The Consultant Service Agreement of February 2006 is applicable to this proposal.

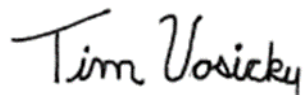
Sincerely,



Douglas K. Nishimura, ARM
Consultant



Richard C. Frese, FCAS, MAAA
Principal & Consulting Actuary



Timothy C. Vosicky, FCAS, MAAA
Consulting Actuary



MEMORANDUM

TO: Board of Directors

FROM: Margo Ely, Executive Director

DATE: October 4, 2018

RE: Consider Strategic Planning Workshop

Action Requested: Concur with the recommendation of the Executive Board to schedule a strategic planning workshop in the next year, following a Board meeting, to discuss issues, including the issues below. Thereafter, the Executive Board will determine issues to be assigned for further review through IRMA Committees, or the creation of focus groups.

Background/Discussion: It has been six (6) years since IRMA had a strategic planning workshop. The reports from 2012 are attached for reference. In 2015, the Executive Board deleted the responsibility of "strategic planning" from the IRMA Officers Statement of Responsibility for the Chair Elect because we had convened task forces that engage in strategic planning. For example, there have been several recent projects that are strategic in nature, including the 2014 IT Strategic Plan, the 2014-2015 Task Force on the Contribution Structure, the 2016 Committee on Mutual Aid Organizations and the 2017 Ad Hoc Committee on the Revenue Base.

As IRMA continues to expand services, trainings, grants and attempts to grow our membership, there are some issues that staff would like some guidance for the future. Looking forward, some issues for consideration include:

1. Growth – as we continue to engage in more proactive member recruitment, how do we plan for the future? Our member recruitment policy states that our growth should not exceed 7% in a year. What should our growth goal be for the next 10-20 years? As we grow, other issues must be taken into consideration include staffing, space, training, etc. Do we keep contribution rates low by using the proposed Contingency Funds if necessary to entice additional members?
2. Office Space – we have outgrown our office space; we are currently exploring putting cubicles in our small conference room for 2 staff persons. We need a bigger conference room since we cannot fit existing staff in the current conference room for staff meetings and we are pretty tight for Committee meetings and new member orientations. We might also want to consider whether we should include a training room to host some classroom type trainings. Our current office lease expires at the end of 2021, so we need to plan for our future.
3. Business Model – internal/external – we currently rely on outside consultants to provide some routine trainings to our members. The question of whether we should hire an internal staff person, at about the same cost, should be addressed. Similarly, we spend between \$400,000-\$600,000 a year for nurses to manage workers' compensation cases. Many insurance companies have nurses on staff that provide

this service. We need to look at this issue. Finally, we might want to consider hiring an attorney on staff to handle some of the simpler litigated cases and issues in order to reduce outside counsel legal fees.

4. Succession Planning – IRMA Directors are reaching retirement age. It is appropriate to discuss succession planning.
5. Financial Policies – Consider the creation of a contingency fund, draft a policy and draft a rate stabilization policy that encompasses objective criteria.

In the past, IRMA has retained a consultant to assist with strategic discussions. The 2019 budget provides for \$20,000 for consultants for this purpose.

Recommendation: Concur with the recommendation.

ME/ds
Attachments



M E M O R A N D U M

TO: Administration & Finance Committee

FROM: Margo Ely, Executive Director
Rita Boserup, Director of Financial Services

DATE: September 20, 2018

RE: Consideration of a Contingency Fund

PURPOSE: The purpose of this memorandum is to consider creating a “rainy day fund” and further explained herein.

BACKGROUND: In 2016, the Administration and Finance Committee appointed a Subcommittee to consider the propriety of discounting the loss fund based on investments and also the availability of interest income credit for the purpose of rate stabilization. (Attachment A, September 15, 2016 Memo). The Subcommittee recommended using interest income credit for rate stabilization. As such, for the 2017 budget, the Board approved the use of \$1.5 million from the 2016 interest income credit for rate stabilization. For the 2018 budget, the Board approved \$5 million for rate stabilization and reserved \$3 million for future rate stabilization. Earlier this year, this committee discussed the possibility of creating a Rate Stabilization Reserve Fund Policy and Procedure. (Attachment B, November 10, 2017 Memo). IRMA members recognize that maintaining affordable and competitive rates is critical to IRMA’s future growth and success.

DISCUSSION: As reflected in the interest income agenda item for this AFC meeting, IRMA has a significant amount of money available this year. It is an opportune time to be forward thinking. We already have an established precedent and history of assuring member contributions are stable, which is embedded in our financial system through the 5 year rolling average look back for exposure base as well as using 5 years of losses, and our sliding scale cap on actual losses included in the experience modifier calculations. We also have a history of utilizing a portion of interest income credit returns for rate stabilization. Moving forward, staff recommends that the membership consider expanding this approach to reach at least two additional considerations.

IRMA has never issued a supplemental assessment. And hopefully, we never will. A “rainy day fund” could be used to avoid a supplemental assessment. A threat that all municipalities face is the possibility of a false conviction lawsuit. Due to this very significant threat, IRMA created an Arrest, Prosecution, Conviction Contingency Loan Fund in 2016. (Attachment C, September 6, 2016 APCC Memo). Staff believes that some portion of the current interest income returns should be reserved for the rainy day fund for potential situations where the APCC Fund is not sufficient to resolve a case when it is necessary.

RECOMMENDATION: Consider establishing a rainy day fund.

Administration and Finance Committee (9/25/18): The AFC had an extensive, active and interesting conversation on this agenda item. With respect to rate stabilization, members expressed concern regarding the potential for relying on rate stabilization money to keep contributions artificially low and questioned the sustainability of this practice, especially in light of the fact that investment returns are variable. The funding for the recent two years of rate stabilization has come from recent very high investment earnings; the likelihood is that this will

not continue. However, the availability of \$28 million in interest income this year presents a unique opportunity to plan for the future. Projections indicate that this is unlikely to happen again in the next 5 to 6 years, so we need to be thoughtful about what IRMA should do with the money. Members agreed that we should reserve some funds for rate stabilization, to avoid potential supplemental assessments, to provide a source of revenue for potential insurance gaps and coverage disputes and other contingencies.

There was much discussion about whether we should have 3 funds (rate stabilization, arrest, prosecution, conviction contingency fund, and a rainy day fund), or just 1 fund with different policies that direct the parameters for use of the funds. With respect to rate stabilization, members stated that we need a formula, benchmark or other objective measure to provide guidance in the future. The determination of whether rate stabilization money is necessary should be supported by a reasonable basis and should not be arbitrary or random.

In the end, the committee voted to create one "Contingency Fund" with a starting balance of \$20 million funded by the interest income credit and that the money can be used for rate stabilization, avoiding supplemental assessments and other reasons. Staff will draft a rate stabilization policy that identifies usage parameters, including potentially a reference to the Illinois PTELL rate as a guiding reference point for IRMA contribution increases and the use of rate stabilization funds, excluding new or withdrawn members from the calculation. In other words, if the IRMA contribution is going to increase by a percentage higher than PTELL, then rate stabilization may be appropriate. Staff will also draft a Contingency Fund Policy, which will incorporate by reference the rate stabilization policy, but will also incorporate and expand provisions of the former Arrest, Prosecution, Conviction Contingency Loan Fund to allow for indemnification in cases where there are insufficient funds in the specific membership year. The Contingency fund will earn investment income, provided that the fund balance at the end of IRMA's fiscal year does not exceed \$20 million. Any investment earnings that would bring the fund in excess of \$20 million will be distributed to the members based on the existing formulas, but would include the excess amount.

Executive Board (10/4/18): The Executive Board discussed this item, noting that IRMA has a history of "rate stabilization" through adjusting expected investment income or an actual rate stabilization number, and supported that we need to formalize this process with a policy. Members suggested that a list of potential considerations/triggers for utilizing rate stabilization would be helpful, such as perhaps a % of budget or loss fund, and tangible adjustment reasons such as the addition of new members or the loss of members in a given year. They questioned where our rate would be if we had no rate stabilization, whether rate stabilization is cumulative in nature and what rate is necessary to remain competitive for member recruitment efforts. Members suggested that a cap would be helpful. The members agreed that one fund is appropriate, rather than multiple funds.

ME/RB/ds
Attachments



M E M O R A N D U M

TO: Administration & Finance Committee

FROM: Margo Ely, Executive Director
Rita Boserup, Director of Financial Services

DATE: November 10, 2017

RE: Rate Stabilization Reserve Fund Policy and Procedure

ACTION REQUESTED: Consider the attached Rate Stabilization Reserve Fund Policy and Procedure.

BACKGROUND: In 2016, the Administration and Finance Committee appointed a Subcommittee to consider the propriety of discounting the loss fund based on investments and also the availability of interest income credit for the purpose of rate stabilization. (Attachment A, September 15, 2016 Memo). The Subcommittee recommended using interest income credit for rate stabilization. As such, for the 2017 budget, the Board approved the use of \$1.5 million from the 2016 interest income credit for rate stabilization. For the 2018 budget, staff is recommending not only rate stabilization for the fiscal year, but also establishing a Reserve Fund for the future. Therefore, it is appropriate to establish a Rate Stabilization Reserve Fund Policy and Procedure.

DISCUSSION: Each year, IRMA approves an annual budget, which consists primarily of an actuarial recommended rate to calculate the Loss Fund in anticipation of claims that will be made, or will occur during the particular fiscal year. The Loss Fund represents approximately 81% of the total IRMA budget for 2018. IRMA has no capital reserve funds, no special funds, and no debt issuance. Our revenues are member contributions and investments. It is a fairly pure and simple financial model. The failure to “levy” at a certain rate in a particular year does not exacerbate the potential rate in the following year – unlike the municipal property tax levy. IRMA members face much more complex financial challenges, including threats to local revenues by the State, declining sales tax revenue due to on-line shopping, and increasing demands from residents.

IRMA has a rich history and well-established mission of providing its members with a stable mechanism for financing risk, i.e., 5 year rolling average look back for exposure base as well as using 5 years of losses, sliding scale cap on actual losses included in the experience modifier calculations, and interest income credit returns of excess reserves. An additional “tool” is rate stabilization. The attached Rate Stabilization Reserve Fund Policy and Procedure provides for the establishment of the fund, subject to the following requirements:

1. The Fund is intended to provide relief to IRMA Members when municipalities face common financial/budgetary challenges in a particular year.
2. The maximum reserve shall be \$10 million or 20% of the proposed IRMA annual budget, whichever is greater.
3. The maximum annual distribution from the fund shall be \$5 million.

RECOMMENDATION: Consider the new Rate Stabilization Reserve Fund Policy and Procedure.



MEMORANDUM

TO: Administration & Finance Committee
FROM: Rita Boserup, Director of Financial Services
DATE: February 13, 2019
RE: **Deductible Billing Procedure Change**

ACTION REQUESTED: Concur with staff’s recommendation to revise the deductible billing procedures.

BACKGROUND: The current practice is to invoice members every month whenever a payment is made on a claim until the member’s deductible is reached. Any amounts collected after the billing are then refunded back to the member.

DISCUSSION: The current procedure is inefficient for both IRMA and the members. There are situations where an event can be billed 4 or more separate times if the payments are small and the cumulative amount is under the deductible. The member is expected to pay the invoices every month. If a refund/collection is received, this amount is issued as a refund to the member. It is a lot of paperwork back and forth for small amounts of money.

Staff proposes that, for all events, the deductible is billed when all the claims under the event are closed. This will eliminate the many small invoices and refunds that go back and forth. If the claim is not closed, any pending deductibles will be billed on April 30th, August 30th, and December 31st, with the amounts entered in the Riskmaster insurance system for tracking purposes.

An exception is for workers’ compensation lost time claims, which will be billed when the deductible is reached or on the April 30th, August 30th, and December 31st schedule, rather than when the claim is closed. These claims can be open for several years with little potential recovery.

The deductible billing is done in the following month after the claim is closed.

The attached documents are an analysis of the following 10 members that had the largest claim event activity for claims that occurred in 2018 only and had some deductible billing activity. There were a total of 406 claims billed for the 10 members as follows:

Addison	\$2,500 deductible	62 claims
Arlington Heights	\$100,000 deductible	48 claims
Carol Stream	\$10,000 deductible	38 claims
Hanover Park	\$2,500 deductible	38 claims
Homewood	\$10,000 deductible	34 claims
Morton Grove	\$50,000 deductible	45 claims
Northbrook	\$10,000 deductible	33 claims
Park Forest	\$100,000 deductible	23 claims
Tinley Park	\$25,000 deductible	50 claims
Wilmette	\$2,500 deductible	35 claims

Per the attached list labeled "Net 0 billed deductibles" there were 65 claims that were billed and then credited for a total of 137 "touches" and a net amount of 0.

A question was raised regarding lost interest if the deductible billing is delayed until the claim is closed. In the attachment labeled "Interest Analysis" we look at the 2018 claims using IRMA's estimated investment rate of return for each month in 2018. For simplicity, the calculations assume that the deductible is paid in full in the same month as the billing. There is a higher amount of investment earnings earned on the deductibles that are billed monthly vs. the claims that are billed on closing. However, the amount is insignificant-a difference of \$3,619 for IRMA's 10 most active members. The chart also assumes that every claim is billed at the end of the calendar year.

The entire list of the claims and deductible activity is in the attachment called "Claim Activity-Sorted by # of Billings".

Withdrawn members will be invoiced every month for all deductibles, whether or not the claim is closed.

RECOMMENDATION: Direct staff to change the procedure, effective with events incurred in 2019.

Administration and Finance Committee (2/19/19): The AFC approved the Deductible Billing Procedure Change.

Executive Board: For information only.

/RB

**Net 0 billed deductibles
Deductible billing claims 1/01/2018-12/31/2018**

	Claim Number	O/C Status Code	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	# of billings	Billed Amount
ADD	172945-01	C				2,500.00		(2,500.00)							2	0.00
ADD	173145-01	C						2,500.00	(2,500.00)						2	0.00
ADD	173327-01	C					607.00	437.17	(1,044.17)						3	0.00
ADD	173383-01	C						683.65			(683.65)				2	0.00
ADD	173427-01	C						2,500.00	(2,500.00)						2	0.00
ADD	173428-01	C					247.88	476.68	(724.56)						3	0.00
ADD	173429-01	C				2,452.52	(2,452.52)								2	0.00
ADD	173546-01	C					801.19	192.90	(994.09)						3	0.00
ADD	173529-01	C						2,500.00	(2,500.00)						2	0.00
ADD	173613-01	C					816.38	385.80	(1,202.18)						3	0.00
ADD	173579-01	C					2,340.63	(2,340.63)							2	0.00
ADD	173781-01	C					1,229.00	(1,229.00)							2	0.00
ADD	173736-01	C					685.46	(685.46)							2	0.00
ADD	174272-01	C								2,153.44		(2,153.44)			2	0.00
ADD	174605-01	C										1,914.08	(1,914.08)		2	0.00
CAROL	173044-01	C	297.00	(297.00)											2	0.00
CAROL	173212-01	C		170.25	(170.25)										2	0.00
CAROL	173432-01	C			1,491.80	(1,491.80)									2	0.00
CAROL	173444-01	C			985.60	219.75	(1,205.35)								3	0.00
CAROL	173465-01	C						171.12	(171.12)						2	0.00
CAROL	173492-01	C				727.87	(727.87)								2	0.00
CAROL	174194-01	C								3,983.29	(3,983.29)				2	0.00
CAROL	174202-01	C								1,410.58	(1,410.58)				2	0.00
HAN	173862-01	C						2,500.00	(2,500.00)						2	0.00
HAN	174661-01	C										107.32	(107.32)		2	0.00
HAN	174892-01	O											212.10	(212.10)	2	0.00
HOME	173097-01	C		69.38	(69.38)										2	0.00
HOME	173527-01	C					895.00	(895.00)							2	0.00
HOME	173692-01	C						57.36	(57.36)						2	0.00
HOME	173746-01	C						2,207.08			(2,207.08)				2	0.00
HOME	173846-01	C						378.41	(378.41)						2	0.00
HOME	174189-01	O									4,850.00		(4,850.00)		2	0.00
MORG	173006-01	C	664.58	(664.58)											2	0.00
MORG	173137-01	C		1,250.00			(1,250.00)								2	0.00
MORG	173402-01	C			1,163.85	(1,163.85)									2	0.00
MORG	173517-01	C				2,500.00			(2,500.00)						2	0.00
MORG	173564-01	C							7,235.28		(7,235.28)				2	0.00
MORG	174064-01	C							1,737.56		(1,737.56)				2	0.00
MORG	174279-01	C									670.58	(670.58)			2	0.00

Interest analysis

Deductible billing claims 1/01/2018-12/31/2018

Interest Estimate if deductible is billed monthly

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Deductible billed	16,247	82,108	55,269	105,678	125,749	88,461	104,045	121,468	63,203	178,497	155,588	200,270
Cumulative	98,356	153,625	153,625	259,303	385,051	473,513	577,558	699,026	762,230	940,726	1,096,314	1,296,583
Interest rate	2.73%	0.13%	0.11%	-0.11%	1.49%	1.54%	3.38%	4.88%	4.81%	-0.27%	1.01%	-3.22%
Monthly Amount	37	11	14	-24	478	608	1,627	2,843	3,055	-212	923	-3,479
										Total 12 months		5,880

Interest Estimate if deductible invoice issued on claim closing

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Deductible billed	3,171	6,409	29,413	78,942	76,570	56,238	98,638	48,140	98,405	187,464	197,230	415,964
Cummulative	9,580	38,993	38,993	117,934	194,505	250,743	349,381	397,521	495,926	683,389	880,619	1,296,583
Interest rate	2.73%	0.13%	0.11%	-0.11%	1.49%	1.54%	3.38%	4.88%	4.81%	-0.27%	1.01%	-3.22%
Monthly Amount	7	1	4	-11	242	322	984	1,617	1,988	-154	741	-3,479
										Total 12 months		2,261

Difference in cumulative amount by month

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Difference in cumulative amount by month	13,077	88,776	114,632	141,368	190,547	222,770	228,177	301,506	266,304	257,337	215,695	0

Claim Activity-Sorted by # of billings
Deductible billing claims 1/01/2018-12/31/2018

Claim Number	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	# of billings	Billed Amount
ARL 173385-01			47	366	758	675	1,668	1,725	584	1,358	896	124	10	8,201
ARL 173342-01				768	3,769	1,285	164	2,439	327	2,789	2,116	2,705	9	16,362
PARK 172930-01	2,881	16,477	1,251	7,221	7,259	2,631	9,344	6,763		17	68		9	53,911
ARL 173661-01					4,876	6,322	2,254	288	247	2,497	6,135	6,784	8	29,402
ARL 173514-01				2,891	10,319	12,632	51	85	74	1,663			7	27,715
ARL 173687-01						96	524	719	535	1,847	1,958	96	7	5,774
CAROL 173309-01			191	542	429			247	411	124	34		7	1,979
PARK 173445-01				6,063	25,682	7,287	10,018	4,461	619	47	733		7	54,909
ARL 173314-01			4,202	7,067	3,324	77	933	9,056					6	24,658
ARL 173405-01			979	526	-376	-376	-376	-376					6	0
ARL 173653-01					736	1,769	1,763	578	60	85			6	4,990
ARL 173957-01							208	1,378	418	989	899	6,353	6	10,244
CAROL 173940-01								958	1,629	24	6	79	5	2,695
HAN 173121-01			73	196	1,790	196	123						5	2,376
TIN 174088-01								1,632	503	651	1,167	2,729	5	6,682
ADD 173790-01						172		1,630	272	395			4	2,469
ARL 173233-01			3,646	2,911	225	579							4	7,360
ARL 173933-01								1,715	2,102	3,208	63		4	7,088
ARL 174340-01									240	5,368	21,786	19,948	4	47,342
ARL 174386-01									5,513	4,156	887	2,498	4	13,054
ARL 174499-01									25	4,080	11,566	7,623	4	23,293
CAROL 173869-01							455	3,290	397	40			4	4,181
CAROL 173964-01							703	3,154	811	5,332			4	10,000
HAN 173719-01						34	1,758	488	221				4	2,500
HOME 172908-01	1,144	1,686		1,049	477								4	4,356
HOME 173169-01			49		304			1,025		8,622			4	10,000
HOME 173275-01					65	1,339	272	1,658					4	3,333
MORG 173069-01			5,587	21,932	12,950								4	50,000
NORTHB 173629-01					7,775	-7,606	2,926	-2,332					4	763
NORTHB 173728-01						1,311	851	5,898	1,941				4	10,000
NORTHB 174343-01									907	2,941	2,134	3,799	4	9,780
PARK 173819-01						149	-5,391	22,350	-12,555	1,867	4,888	32,478	4	4,552
PARK 174397-01									456	1,867			4	39,689
TIN 174217-01									5,585	1,240	73	1,378	4	8,276

Claim Number	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	# of billings	Billed Amount
WILM 173552-01				186	-186	-158	186						4	28
ADD 173327-01					607	437	-1,044						3	0
ADD 173428-01					248	477	-725						3	0
ADD 173546-01					801	193	-994						3	0
ADD 173513-01					1,548	576		-1					3	2,122
ADD 173613-01					816	386	-1,202						3	0
ADD 174371-01									226	11	79		3	316
ARL 173283-01			2,928	746	240								3	3,913
ARL 173501-01				54	179						233		3	465
ARL 174497-01										28	199	5	3	231
ARL 173474-01				127	506	358							3	992
ARL 174590-01										5,873	10,122	6,572	3	22,568
ARL 174375-01								1,697	1,158	-1,397			3	1,458
ARL 174549-01										10,772	8,861	7,293	3	26,926
ARL 174602-01										418	862	48	3	1,328
ARL 174646-01										165	8,480	1,203	3	9,848
CAROL 173053-01		201	7,837	1,962									3	10,000
CAROL 173444-01			986	220	-1,205								3	0
CAROL 174030-01										4,800	2,097	2,003	3	8,901
CAROL 174355-01										3,161	637	-792	3	3,007
CAROL 174438-01									9,450	131	-3,740		3	5,842
HAN 173647-01					1,112	1,349	39						3	2,500
HAN 174457-01									1,886	256	272		3	2,414
HAN 174145-01								154	2,107	239	0		3	2,500
HAN 174281-01									1,156	822	522		3	2,500
MORG 173473-01				554	547		-1,081						3	19
MORG 174014-01							3,939	13,270	5,771				3	22,979
MORG 174042-01							5,462	-1,931	-441				3	3,090
MORG 174251-01								115		4,231	610		3	4,956
MORG 174444-01										12,372	9,148	11,945	3	33,465
NORTHB 173206-01			119		290	729							3	1,137
NORTHB 173419-01						256		26	4				3	285
NORTHB 173440-01			2,176	2,007		2,751							3	6,933
NORTHB 173727-01						275		233	4				3	512
NORTHB 174241-01									294		-290	746	3	749
NORTHB 174200-01								3,272	270	666			3	4,208
NORTHB 174396-01									99	299	86		3	484
NORTHB 174493-01										294	421	1,811	3	2,526

Claim Number	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	# of billings	Billed Amount
PARK 174009-01								483		400		6,580	3	7,463
PARK 174193-01									200	124		567	3	891
PARK 174277-02										28	1,055	465	3	1,547
TIN 172985-01	1,085	4,927	712										3	6,723
TIN 173658-01					1,329	243	-1,572						3	0
TIN 173227-01			1,755		272	17							3	2,043
TIN 173335-01			40			10		1,903					3	1,953
TIN 173330-01			1,337		364	36							3	1,738
TIN 173569-01					3,845		742	40		-3,658			3	969
TIN 173690-01					1,974	1,096	1,140						3	4,210
TIN 174026-01							293	40			-293		3	40
TIN 174429-01									1,528	2,445		-3,973	3	0
TIN 174416-01										13,044	9,037	8,675	3	30,756
WILM 173306-01			229	662	253								3	1,144
WILM 173475-01				199	810		611						3	1,621
WILM 173596-01					310	857	228						3	1,395
ADD 172945-01				2,500		-2,500							2	0
ADD 173145-01						2,500	-2,500						2	0
ADD 173383-01						684			-684				2	0
ADD 173427-01						2,500		-2,500					2	0
ADD 173429-01				2,453	-2,453								2	0
ADD 173529-01						2,500	-2,500						2	0
ADD 173579-01					2,341	-2,341							2	0
ADD 173612-01					325	383							2	707
ADD 173781-01					1,229	-1,229							2	0
ADD 173662-01					905								2	905
ADD 173736-01					685	-685							2	0
ADD 173738-01					1,443	385							2	1,828
ADD 173868-01								1,128	10				2	1,138
ADD 174272-01								2,153		-2,153			2	0
ADD 174357-01										214	1,150		2	1,364
ADD 174409-01										671	30		2	701
ADD 174605-01										1,914	-1,914		2	0
ADD 174506-01										489	133		2	623
ARL 172925-01	6,332			10,369									2	16,701
ARL 172988-01		2,008	353										2	2,360
ARL 173039-01				2,298						35			2	2,332
ARL 173062-01			567					314					2	881

Claim Number	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	# of billings	Billed Amount
ARL 173084-01		26	522							87			2	634
ARL 173730-01						400					464		2	864
ARL 173800-01							20	221					2	241
ARL 174017-01								392	465				2	856
ARL 174425-01									425	73			2	498
ARL 174657-01											4,566	16,277	2	20,843
ARL 174700-01											9,525	4,356	2	13,881
ARL 174729-01											379	1,591	2	1,970
ARL 174772-01											6,112	6,716	2	12,827
CAROL 173044-01	297	-297											2	0
CAROL 173212-01		170	-170										2	0
CAROL 173432-01			1,492	-1,492									2	0
CAROL 173465-01						171	-171						2	0
CAROL 173492-01				728	-728								2	0
CAROL 173706-01					1,713					-1,000			2	713
CAROL 173811-01						823		-793					2	30
CAROL 174194-01								3,983	-3,983				2	0
CAROL 174033-01							242	164					2	405
CAROL 174083-01									2,389	20			2	2,409
CAROL 174202-01								1,411	-1,411				2	0
CAROL 174288-01								275	174				2	449
CAROL 174562-01										3,534	6,466		2	10,000
HAN 172895-01		2,268	232										2	2,500
HAN 172917-01					434								2	1,237
HAN 173862-01						2,500	-2,500						2	0
HAN 173349-01							313	6					2	319
HAN 173556-01				115	115								2	230
HAN 174147-01								1,397	1,103				2	2,500
HAN 174496-01										786	1,714		2	2,500
HAN 174661-01										107	-107		2	0
HAN 174892-01											212	-212	2	0
HOME 173097-01		69	-69										2	0
HOME 173357-01					1,775		2,902						2	4,678
HOME 173172-01		2,400	7,600										2	10,000
HOME 173272-01			44	745									2	789
HOME 173527-01					895	-895							2	0
HOME 173524-01				61	150								2	211
HOME 173692-01						57	-57						2	0

Claim Number	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	# of billings	Billed Amount
HOME 173746-01						2,207			-2,207				2	0
HOME 173792-01						61		464					2	525
HOME 173846-01						378	-378						2	0
HOME 173832-01						2,874	7,126						2	10,000
HOME 174189-01									4,850		-4,850		2	0
HOME 174226-01									1,574			910	2	2,483
HOME 174742-01											7,557	2,443	2	10,000
MORG 173006-01	665	-665											2	0
MORG 173122-01		1,413	91	173									2	1,676
MORG 173093-01		7,120							-3,856				2	3,264
MORG 173137-01		1,250			-1,250								2	0
MORG 173173-01						129	4						2	132
MORG 173402-01			1,164	-1,164									2	0
MORG 173517-01				2,500			-2,500						2	0
MORG 173564-01							7,235		-7,235				2	0
MORG 173630-01					288	176	1,738		-1,738				2	464
MORG 174064-01							59	78					2	0
MORG 173968-01								2,500	114				2	137
MORG 174060-01								1,034	1,909				2	2,614
MORG 174157-01									671	-671			2	2,943
MORG 174279-01									464	-464			2	0
MORG 174448-01													2	0
MORG 174498-01										2,546	1,174		2	3,720
NORTHB 173481-01				1,360			205						2	1,565
NORTHB 173671-01					2,062	808							2	2,870
NORTHB 173711-01									199	329			2	529
NORTHB 173726-01					1,291		-1,291						2	0
NORTHB 173823-01						5,825	4,175						2	10,000
NORTHB 173839-01						314	177						2	491
NORTHB 173900-01								909	188				2	1,097
NORTHB 174314-01											5,147	4,853	2	10,000
NORTHB 174235-01								4,878	5,122				2	10,000
NORTHB 174819-01											98	332	2	430
PARK 173126-01		21,966		-6,057									2	15,909
PARK 173209-01			1,480	4,463									2	5,942
PARK 173258-01			211			1,099							2	1,309
PARK 173772-01					1,922	1,256							2	3,178
PARK 173853-01						1,629	-1,629						2	0

Claim Number	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	# of billings	Billed Amount
PARK 173918-01							1,059	83					2	1,142
PARK 173970-01							151	220					2	370
TIN 173384-01					2,794	-2,794							2	0
TIN 173129-01					1,775		-1,775						2	0
TIN 173332-01					332	146							2	478
TIN 173170-01			2,103		472								2	2,575
TIN 173390-01						1,092	-1,092						2	0
TIN 173644-01							2,389	-2,389					2	0
TIN 173685-01						2,296	476						2	2,772
TIN 173771-01							350	-350					2	0
TIN 173777-01							350	-350					2	0
TIN 174023-01							350	-350					2	0
TIN 173985-01													2	0
TIN 174222-01								5,005	-5,005				2	0
TIN 174518-01								125	-125				2	0
WILM 172936-01		1,846		654					433	-433			2	0
WILM 172963-01	673		-673										2	2,500
WILM 172999-01			656			-656							2	0
WILM 173105-01		2,500	-2,500										2	0
WILM 173082-01			199	611									2	810
WILM 173291-01				2,500			-2,500						2	0
WILM 173464-01					213	-213							2	0
WILM 173553-01						427		-427					2	0
WILM 173554-01						2,500						-2,500	2	0
WILM 174289-01								2,500	-2,500				2	0
WILM 174057-01							2,500	-2,500					2	0
WILM 174247-01								2,500	-2,500				2	0
WILM 174368-01									2,372	-2,000			2	372
WILM 174466-01										132	469		2	601
WILM 174529-01									1,784	-1,784			2	0
WILM 174717-01										1,449	922		2	2,371
ADD 173070-01										2,500			1	2,500
ADD 173071-01										1,086			1	1,086
ADD 173146-01										2,500			1	2,500
ADD 173325-01						921							1	921
ADD 173221-01			2,500										1	2,500
ADD 173326-01						662							1	662
ADD 173324-01					2,232								1	2,232

Claim Number	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	# of billings	Billed Amount
ADD 173415-01				1,031									1	1,031
ADD 173608-01				143									1	143
ADD 173477-01				321									1	321
ADD 173530-01				312									1	312
ADD 173531-01				501									1	501
ADD 173597-01				567									1	567
ADD 173770-01										2,320			1	2,320
ADD 173739-01						2,500							1	2,500
ADD 173662-02					1,595								1	1,595
ADD 173737-01						2,069							1	2,069
ADD 173812-01						2,500							1	2,500
ADD 173906-01						1,312							1	1,312
ADD 173871-01							2,500						1	2,500
ADD 174703-01							2,500			531			1	531
ADD 173930-01													1	2,500
ADD 174094-01								156					1	156
ADD 174125-01										670			1	670
ADD 174127-01											256		1	256
ADD 174271-01										194			1	194
ADD 174294-01									1,915				1	1,915
ADD 174293-01									1,974	2,500			1	2,500
ADD 174366-01									106				1	1,974
ADD 174324-01													1	106
ADD 174408-01										688			1	688
ADD 174687-01										132			1	132
ADD 174686-01										524			1	524
ADD 174607-01												2,397	1	2,397
ADD 174798-01											143		1	143
ARL 172927-01									1,100				1	1,100
ARL 173391-01			200										1	200
ARL 173705-01						4,589							1	4,589
ARL 173724-01					2,643								1	2,643
ARL 173717-01						456							1	456
ARL 173753-01						262							1	262
ARL 174043-01							8,025						1	8,025
ARL 174265-01									179				1	179
ARL 174573-01										8,533			1	8,533
ARL 174852-01											756		1	756

Claim Number	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	# of billings	Billed Amount
ARL 174960-01												154	1	154
ARL 174966-02												2,482	1	2,482
CAROL 173016-01		359											1	359
CAROL 173124-01			206										1	206
CAROL 173401-01				147									1	147
CAROL 173793-01										10,000			1	10,000
CAROL 174382-01								3,111					1	3,111
CAROL 174384-01									2,246				1	2,246
CAROL 174313-01									303				1	303
CAROL 174385-01									338				1	338
CAROL 174664-01										4,330			1	4,330
CAROL 174404-01												120	1	120
CAROL 174544-01									2,113				1	2,113
CAROL 174675-01												6,179	1	6,179
CAROL 174676-01											2,264		1	2,264
CAROL 174935-01											700		1	700
CAROL 174936-01												160	1	160
CAROL 174941-01												264	1	264
HAN 172897-01	2,500												1	2,500
HAN 173181-01		2,500											1	2,500
HAN 173223-01		48											1	48
HAN 173407-02			1,534										1	1,534
HAN 173621-01						732							1	732
HAN 173668-01					2,500								1	2,500
HAN 173715-01						2,500							1	2,500
HAN 173822-01							247						1	247
HAN 173836-01						2,500							1	2,500
HAN 173926-01							381						1	381
HAN 174027-01							2,500						1	2,500
HAN 174305-01									2,500				1	2,500
HAN 174403-01									2,500				1	2,500
HAN 174451-01											563		1	563
HAN 174668-02										1,880			1	1,880
HAN 174719-01										2,500			1	2,500
HAN 174731-01										168			1	168
HAN 174861-01												1,411	1	1,411
HAN 174866-01												214	1	214
HAN 174858-01												608	1	608

Claim Number	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	# of billings	Billed Amount
HAN 175024-02												2,500	1	2,500
HAN 175065-01												2,500	1	2,500
HOME 172938-01			186										1	186
HOME 173273-01			255										1	255
HOME 173353-01				4,146									1	4,146
HOME 173489-01				700									1	700
HOME 173495-01				358									1	358
HOME 173909-01						2,581							1	2,581
HOME 174227-01									398				1	398
HOME 174081-01						10,000							1	10,000
HOME 174244-01										2,042			1	2,042
HOME 174414-02									2,678				1	2,678
HOME 174692-01												1,591	1	1,591
HOME 174586-01										3,886			1	3,886
HOME 174694-01										409			1	409
HOME 174695-01										444			1	444
HOME 174749-01										3,648			1	3,648
HOME 174923-01											65		1	65
HOME 174953-01											1,027		1	1,027
MORG 172992-01	671												1	671
MORG 173020-01				6,900									1	6,900
MORG 173147-01			986										1	986
MORG 173245-01			336										1	336
MORG 173420-01						6							1	6
MORG 173395-01								2,036					1	2,036
MORG 174122-01								328					1	328
MORG 173947-01										1,197			1	1,197
MORG 173951-01							6,995						1	6,995
MORG 174032-01										12,550			1	12,550
MORG 174132-01							5,749						1	5,749
MORG 174300-01									195				1	195
MORG 174263-01									315				1	315
MORG 174449-01										2,571			1	2,571
MORG 174488-01									4,297				1	4,297
MORG 174601-01											1,263		1	1,263
MORG 174740-01												2,240	1	2,240
MORG 174789-01												579	1	579
MORG 174795-01											254		1	254

Claim Number	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	# of billings	Billed Amount
MORG 174803-01											1,131		1	1,131
MORG 174808-01												59	1	59
MORG 174811-01												1,387	1	1,387
MORG 174896-01												151	1	151
MORG 175104-01												1,000	1	1,000
NORTHB 173007-01		1,114											1	1,114
NORTHB 172998-01		953											1	953
NORTHB 173567-01				1,627									1	1,627
NORTHB 173804-01						377							1	377
NORTHB 173803-01						86							1	86
NORTHB 173713-01						874							1	874
NORTHB 174128-01								373					1	373
NORTHB 174592-01										278			1	278
NORTHB 174802-02												143	1	143
NORTHB 174916-01												752	1	752
NORTHB 174924-01												5,104	1	5,104
NORTHB 174983-01												2,375	1	2,375
PARK 173380-01				2,600									1	2,600
PARK 173484-01				345									1	345
PARK 173525-01					226								1	226
PARK 173575-01									2,868				1	2,868
PARK 173626-01						217							1	217
PARK 173623-01					128								1	128
PARK 173787-02							2,891						1	2,891
PARK 174096-01									2,709				1	2,709
PARK 174515-01									10				1	10
TIN 173340-01							1,570						1	1,570
TIN 173185-01			290										1	290
TIN 173389-01							2,785						1	2,785
TIN 173347-02			1,042										1	1,042
TIN 173421-01				321									1	321
TIN 173453-01				749									1	749
TIN 173670-01					918								1	918
TIN 173681-01							3,392						1	3,392
TIN 173712-01									919				1	919
TIN 173747-01						136							1	136
TIN 174073-01							2,902						1	2,902
TIN 173902-01										1,225			1	1,225

Claim Number	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	# of billings	Billed Amount
TIN 173905-01								350					1	350
TIN 173966-01							245						1	245
TIN 173980-01							315						1	315
TIN 174086-01									125				1	125
TIN 174059-01								186					1	186
TIN 174232-01								821					1	821
TIN 174221-01								300					1	300
TIN 174201-01									579				1	579
TIN 174231-01								613					1	613
TIN 174528-01									1,459				1	1,459
TIN 174627-01										229			1	229
TIN 174513-01												132	1	132
TIN 174913-01											2,707		1	2,707
WILM 172965-01		1,435											1	1,435
WILM 173066-01								485					1	485
WILM 173191-01				2,006									1	2,006
WILM 173222-01				191									1	191
WILM 173307-01							395						1	395
WILM 173171-01			294										1	294
WILM 173184-01													1	776
WILM 173292-01				2,500									1	2,500
WILM 173502-01					130								1	130
WILM 173744-01						2,500							1	2,500
WILM 174342-01											2,500		1	2,500
WILM 173972-02							878						1	878
WILM 174158-01								2,500					1	2,500
WILM 174195-01									1,063				1	1,063
WILM 174426-01										2,500			1	2,500

16,247 82,108 55,269 105,678 125,749 88,461 104,045 121,468 63,203 178,497 155,588 200,270 787 1,296,583



MEMORANDUM

TO: Training & Risk Management Committee

FROM: Jennifer Swahlstedt, Risk Management & Training Manager

DATE: January 24, 2019

RE: 2018 Training & Education Committee Goals and Objectives Accomplishments

Action Requested: To provide the Committee with an update on the goals and objectives set forth for the committee in 2018.

Background/Discussion: The following is the status of the goals and objectives of the Training & Risk Management Committee set in 2018:

1. Identify products and/or services targeted at reducing risk and secure member pooled pricing.

In 2018, additional pooled pricing was secured with AeroVista Drone Academy drone purchase and training bundle package, Livingston Glideboard for patient lifting device, MSDS Online Safety Data Sheets (SDS) online management, and Target Solutions training management software.

2. Audit 2018 Special Training pilot programs and partnership with PDRMA, as well as evaluate additional opportunities to collaborate with other entities to provide training.

The partnership with PDRMA in 2018 allowed for an increase of regional training opportunities for public works and parks/recreation departments. All programs were well attended and received positive reviews. Piloted programs in 2018 are scheduled for full class sizes and multiple dates in 2019 which includes Aerial Lift, Brush Chipper Train the Trainer, Mower Safety Train the Trainer, Safe Operations in Towing a Trailer, and Welding Safety. Additionally, with the PDRMA partnership tailored training options for parks and aquatic facilities are offered. This arrangement is continuing in 2019. IRMA also collaborated with the DuPage Fire Chiefs, DuPage Police Chiefs, and College of DuPage (COD) to provide Rescue Task Force Training for first responders. TRMC members audited several programs with COD in 2018 as well. Staff continues to develop a relationship with the school. Several programs were vetted with Illinois Business Innovated Services (IL BIS) to provide leadership training in 2018. These programs received excellent ratings and staff will continue to review IL BIS training opportunities for future Coffee & Conversation Workshop Series events.

3. Analyze claims trends and member requests when creating the 2019 Special Training programs.

Claim trends and member requests are continuously reviewed when developing training initiatives. Additionally, the membership was surveyed to provide operational information

and insight into the current on-site training offerings. The results will assist staff in coordinating future training needs.

4. Develop and implement the fall Educational Summit for the membership.

The Education Summit was held on October 17, 2018, which featured case study and member panel discussions. On average, programs were rated 3.8/4.0.

5. Explore additional grant programs aimed at reducing injuries, specifically for police departments.

Although no new grants were introduced, a review of the 2018 offerings identified improvements that would assist in reduction of injuries. Three grants were opened to accept applications from all operating departments (Ballistic Protection Equipment, Lift Assist, and Work Zone Safety). The Injury Prevention Grant was expanded to include member-vetted health and wellness programs. Additionally, the training subsidy was expanded to Train-the-Trainer (TTT) courses including IRMA Sponsored Trainings (Brush TTT, Mower TTT) and ITOA Rescue Task Force TTT. The training subsidy covers a significant percentage of the TTT course in exchange for that employee to administer two training sessions a year for two years for the membership.

6. Evaluate the possibility of combining the Training & Education Committee with the Member Relations Committee.

Through the committee process, it was determined that the TEC and MRC would not combine, but the TEC would adopt additional responsibilities to include risk management oversight in 2019. Subsequently the committee name was changed to the Training & Risk Management Committee (TRMC).

Recommendation: For information only.

Training & Risk Management Committee (2/4/19): Completed goals and accomplishments during 2018 were accepted by the Committee unanimously.

JS/II



MEMORANDUM

TO: Training & Risk Management Committee
FROM: Jennifer Swahlstedt, Risk Management & Training Manager
DATE: January 24, 2019
RE: 2019 Training & Risk Management Goals & Objectives

Action Requested: Approve the goals and objectives of the Committee for 2019.

Background/Discussion: The following 2019 are the proposed goals and objectives of the Training & Risk Management Committee (TRMC).

1. Identify products and/or services targeted at reducing risk and secure member pooled pricing.
2. Audit Special Training programs and partnerships, as well as evaluate additional opportunities to collaborate with other entities to provide training.
3. Analyze claims trends to identify safety initiatives.
4. Increase awareness of IRMA resources and services.
5. Develop and implement the fall Educational Summit for the membership.
6. Explore additional grant programs and pilot programs aimed at reducing injuries.
7. Evaluate effectiveness of the new structure, reports and tasks of the Committee.

Recommendation: Approve the goals & objectives of the Committee for 2019 along with any additional recommendations from the Committee.

Training & Risk Management Committee (2/4/19): Goals and objectives outlined for 2019 were accepted by the Committee unanimously.

JS/II

2019 Special Training Schedule

Training Date	Event	Time	Location
2/22/2019	Aquatic Workshop	8:30 a.m - 12:00 p.m.	NIU Naperville, 1120 E. Diehl Road, Naperville, IL
2/27/2019	Fighting the Fire Before it Starts-Facility Fire Prevention Inspection	9:00 a.m. - 12:00 p.m.	Tinley Park Park District, McCarthy Recreation Building B, 16801 S. 80th Avenue. Tinley Park, IL 60477
3/5/2019	Playground Maintenance	8:30 am-4:00 pm	Wilmette Park District, 300 Glenview Road Wilmette, IL
3/6/2019	Playground Maintenance	8:30 am-4:00 pm	Wilmette Park District, 300 Glenview Road Wilmette, IL
3/14/2019	Member Orientation	8:30 a.m.- 12:15 p.m.	Westbrook Corporate Conference Center
3/27/2019	Welding	7:30 am-3:30 pm	Village Carol Stream P.W. Facility, 124 Gerzeveske Lane, Carol Strewam, IL 60188
4/22/2019	Mower Trainer Class	8:00 am-2:30 pm	Elmhurst Park District, The Hub, 493 Oaklawn Avenue,
4/23/2019	Mower Trainer Class	8:00 am-2:30 pm	Buffalo Grove Park District, Twin Creeks Park, 401 Aptakisic Road, Buffalo Grove, IL
4/24/2019	Mower Class	7:30 am-11:00 am	Oak Lawn Park District Pavillion, 9401 S. Oak Park Avenue, Oak Lawn,IL
4/24/2019	Mower Class	11:30 am-3:30 pm	Oak Lawn Park District Pavillion, 9401 S. Oak Park Avenue, Oak Lawn,IL
4/25/2019	Trailer Class	7:30 am-11:00 am	Glenview Park Dist
4/25/2019	Trailer Class	11:30 am-3:30 pm	Glenview Park Dist
4/26/2019	Aerial Truck	7:30 am-11:00 am	Naperville Park District, South Maintenance Facility, 3415 bood Rd., Naperville IL 60540
4/29/2019	Chainsaw 101	8:30 am-3:30 pm	Forest Preserves of Cook County, 640 Cosman Road, Elk Grove Village, IL 60007
4/30/2019	Chainsaw 102	8:30 am-3:30 pm	Forest Preserves of Cook County, 640 Cosman Road, Elk Grove Village, IL 60007
5/1/2019	Chainsaw 101	8:30 am-3:30 pm	Forest Preserves of Cook County, 640 Cosman Road, Elk Grove Village, IL 60007
5/2/2019	Chainsaw 102	8:30 am-3:30 pm	Forest Preserves of Cook County, 640 Cosman Road, Elk Grove Village, IL 60007
5/3/2019	Chainsaw 102	8:30 am-3:30 pm	Forest Preserves of Cook County, 640 Cosman Road, Elk Grove Village, IL 60007
5/14/2019	Trench & Excavation Safety	7:30 am-3:30 pm	Katherine Legge Memorial Park, 5901 S. County Line Road, Hinsdale,IL 60521
5/15/2019	Confined Space Compliance	7:30 am-3:30 pm	Lake Zurich Public Works Facility, 505 Tesler Road, Lake
5/21/2019	OSHA-10 Hour	8:30 am-3:30 pm	Westbrook Corporate Conference Center
5/22/2019	OSHA-10 Hour	8:30 am-12:30 pm	Westbrook Corporate Conference Center
6/4/2019	Traffic Incident Awareness (Police & Fire Only)	7:30 am-11:30 am	Westbrook Corporate Conference Center
6/4/2019	Work Zone Safety (PW/Parks)	12:00 pm-3:30 pm	Westbrook Corporate Conference Center
8/20/2019	Trench & Excavation Safety	7:30 am-3:30 pm	Lake Zurich Public Works Facility, 505 Tesler Road, Lake
8/21/2019	Confined Space Compliance	7:30 am-3:30 pm	Lincolnwood Fire Station, Police/Fire Training Room, 6900 N. Lincoln Avenue, Lincolnwood, IL 60712
9/12/2019	CDL-Reasonable Suspicion	8:30 am-11:30 am	Westbrook Corporate Conference Center
9/16/2019	Brush Chipper-Train the Trainer	7:30 am-3:30 pm	Village Mount Prospect, 1720 West Central Road, Mount Prospect, IL
9/17/2019	Brush Chipper-Train the Trainer	7:30 am-3:30 pm	Oak Brook Public Works Facility 3003 Jorie Boulevard, Oak Brook, IL 60523
9/18/2019	Brush Chipper Safety	7:30 am-11:00 am	Village of Brookfield, 8820 Brookfield Avenue, Brookfield, IL 60513
9/18/2019	Brush Chipper Safety	11:30 am-3:30 pm	Village of Brookfield, 8820 Brookfield Avenue, Brookfield, IL 60513
9/19/2019	Aerial Lift	7:30 am-11:00 am	Village of Northbrook, 1225 Cedar Lane, Northbrook, IL
9/25/2019	Welding	7:30 am-3:30 pm	Village of Burr Ridge, Public Works Facility, 450 Commerce Street, Burr Ridge, IL 60527
9/26/2019	Member Orientation	TBD	Westbrook Corporate Conference Center
10/3/2019	Electrical Safety Part #1	7:30 am-11:00 am	Westbrook Corporate Conference Center
10/3/2019	Electrical Safety Part #2	12:00 pm-3:30 pm	Westbrook Corporate Conference Center
12/4/2019	Fighting the Fire Before it Starts-Facility Fire Prevention Inspection	9:00 a.m. - 12:00 p.m.	TBD
12/11/2019	Playground Maintenance	8:30 am-4:00 pm	Fox Valley Park District, Eola Center, 555 S. Eola Road,
12/12/2019	Playground Maintenance	8:30 am-4:00 pm	Fox Valley Park District, Eola Center, 555 S. Eola Road,



MEMORANDUM

TO: Training & Risk Management Committee

FROM: Jennifer Swahlstedt, Risk Management & Training Manager

DATE: January 28, 2019

RE: On-Site Training Survey Results

Purpose: To provide the Committee with results from the membership survey regarding on-site training.

Background: Periodically, IRMA surveys the membership to determine if IRMA's training and risk management offerings are meeting member needs. The survey regarding on-site training was sent to the membership on November 27, 2018, and again on December 4, 2018. Member recipients included Delegates, Alternates, Claims Coordinators, Safety Coordinators, Department Heads and Steering Committee members. The survey included specific questions for each department to drill down detailed information on daily operations. The responses will assist staff in coordinating future training and risk management programs.

Discussion: Overall, the survey was successful receiving responses from 92% of the membership. All major operating departments were represented, providing excellent feedback for staff in creating, tailoring and expanding our training and risk management efforts (**Chart 1**). The results also indicate that the membership is interested in increasing safety awareness and culture. Of the current 35 on-site training offerings, 50% of the top ten most requested by members are safety-based training (**Chart 2**). These results validate staff's 2018 Q4 initiative to refresh IRMA's safety-based trainings and model policies. The rebranded *Core Four Program* focuses on the four basic principles for managing liability and personnel risk – Accident Investigation, Root Cause Analysis, Accident Review Boards and Executive Safety Committees. Additional safety-based programs, such as Behavior Based Safety and Near Miss Reporting, are scheduled for review in 2019.

The survey results also provided a snapshot of member current risk management practices. The results show nearly half of respondents hold safety committee meetings, accident review boards and offer wellness initiatives. The membership is lacking in implementation of accident/root cause analysis, behavioral health and holding regular training through roll-call or toolbox talks. Additionally, there are very few members which provide behavioral and mental health screenings (**Chart 3**). By rebranding training and model policies and highlighting IRMA's risk management resources (online courses, training, and best practices), staff hopes to increase membership involvement in these areas.

Additionally, regulatory issues were addressed through the survey, requesting members to report their practices on hearing protection, respiratory protection, and lockout tagout procedures (**Chart 4**). Respondents identified participation in these programs, however these results are not a surprise based on IMAP and Regulatory Assistant Visit results. Staff is aware of the challenges regarding these programs and will continue to stress implementation with individual members as well as provide forums for education on the value through avenues such as Steering Committees, E-News Articles, Safety First Awareness, and Loss Control Evaluation reports.

Respondents also provided suggestions for future on-site training topics, including health/wellness, active shooter awareness, department-specific professional liability training, the costs workers' compensation, leadership, and IRMA loss control visits. Several suggestions are under review with staff for on-site training, while others are better suited for regional trainings with subject matter experts. For example, staff is currently in discussions with Aldi Food Services for nutrition/wellness seminar, Illinois Business Innovation Solutions (ILBIS) for leadership training, and College of DuPage for municipal cyber risk awareness training.

Staff will continue to report updates to the TRMC on progress of training and risk management initiatives.

Recommendation: Discuss and provide feedback regarding training results, raising membership awareness of services and IRMA's risk management initiatives.

Training & Risk Management Committee (2/4/19): Committee members discussed the results in conjunction with the 2019 goal of increasing awareness of IRMA member services. Building upon the success of using member panels at the 2018 Education Summit, TRMC will spearhead peer written E-News articles on topics associated with reducing risks by implementing safety and/or wellness initiatives. The articles will outline how a member identified risks affecting the organization and implemented a successful program, overcoming challenges along the way. The articles may highlight IRMA services which helped members achieve these goals.

Attachment: Charted Survey Results

JS/II

Charted Survey Results*

Chart 1

Survey Responses by Operating Department

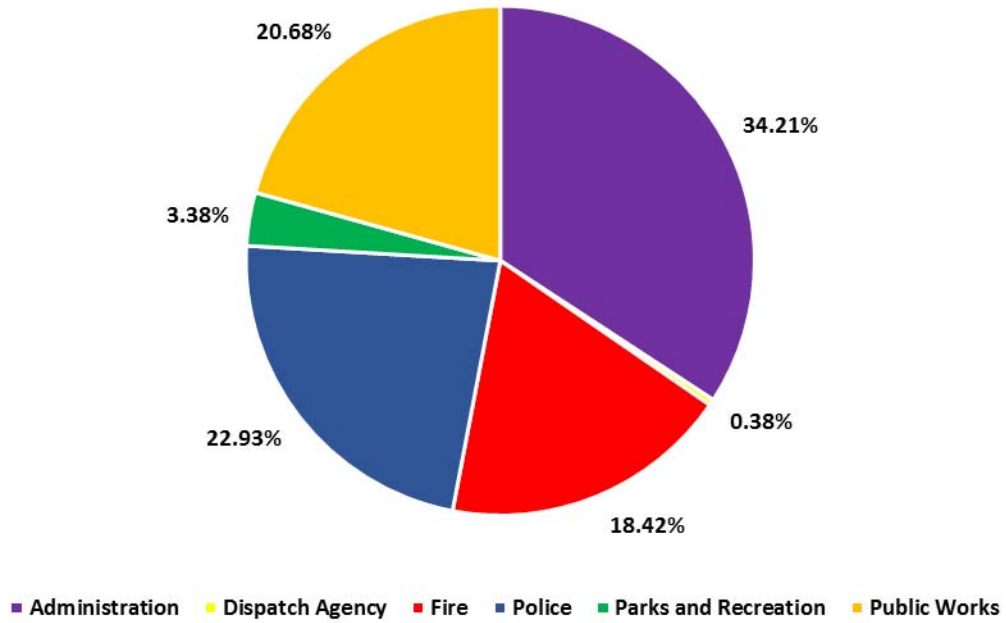


Chart 2

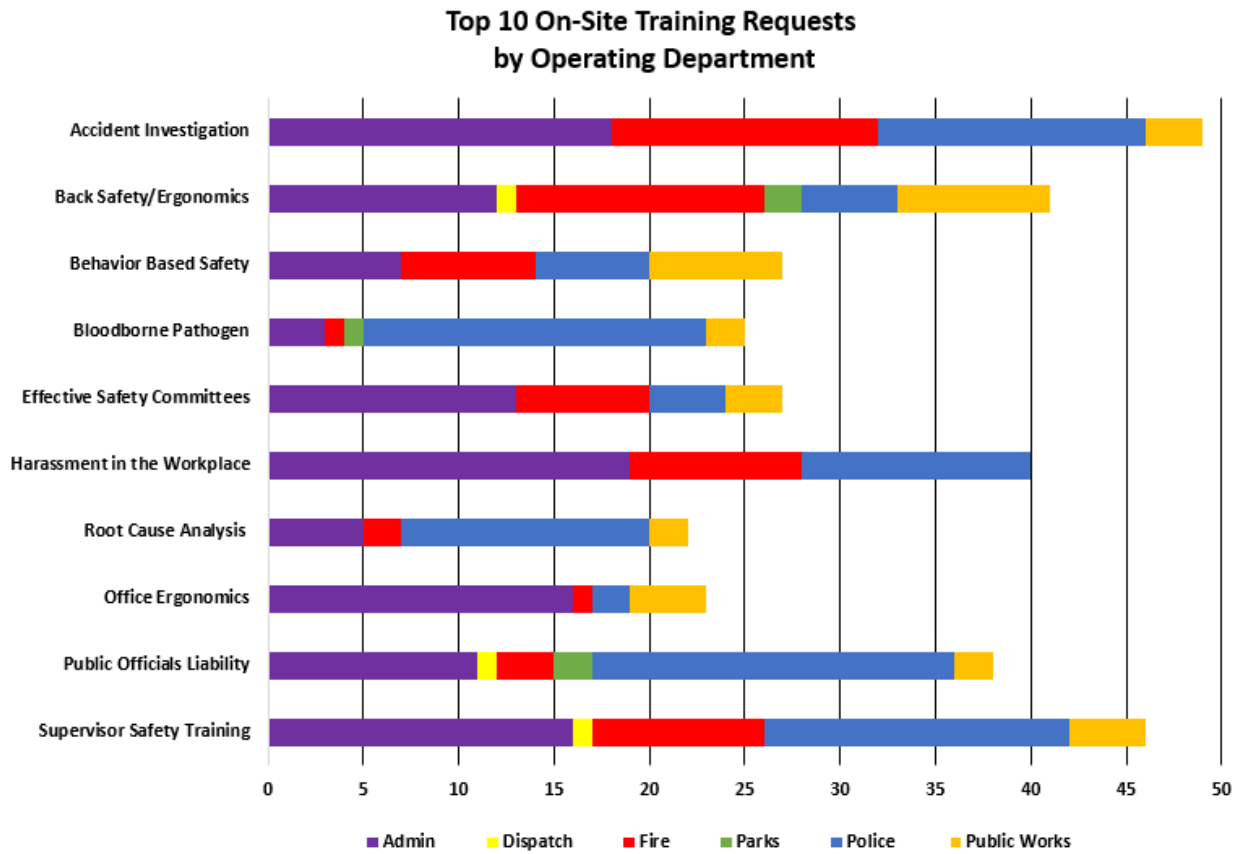


Chart 3

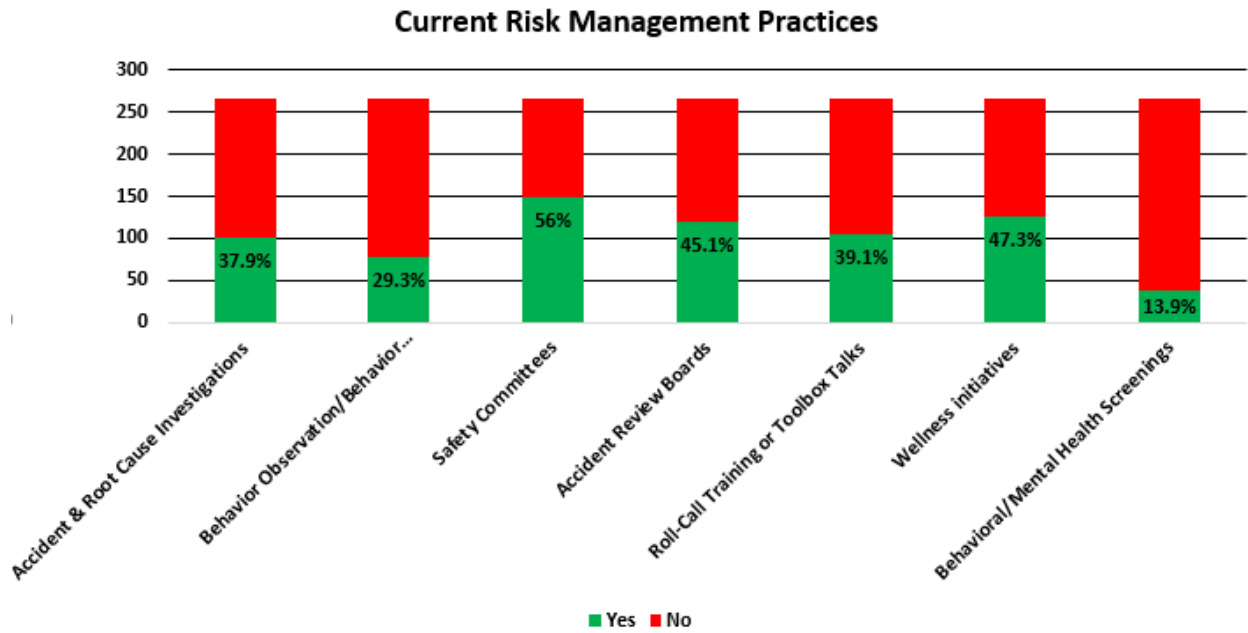
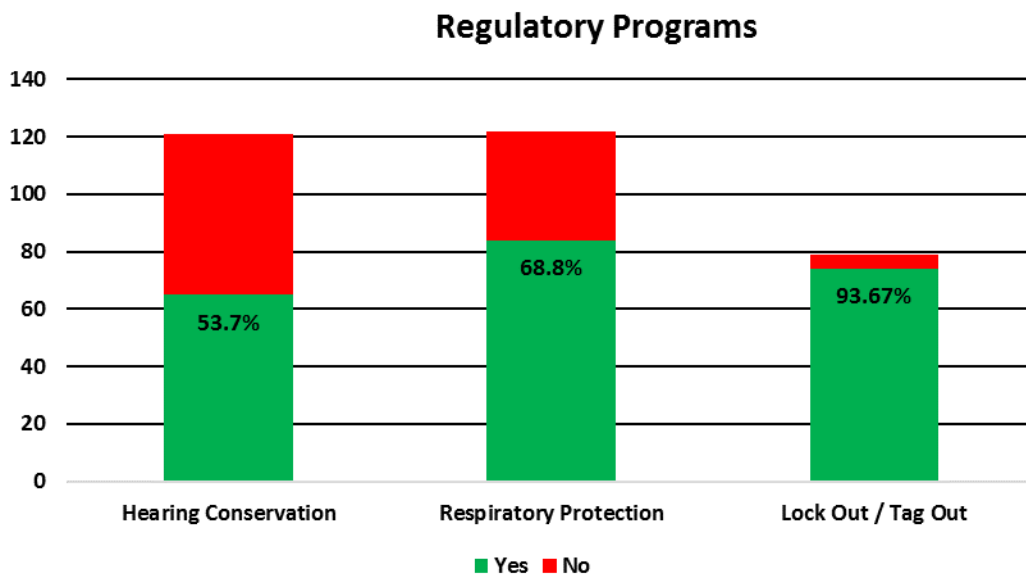


Chart 4



*Compiled results from survey respondents only



MEMORANDUM

TO: Training & Risk Management Committee

FROM: Jennifer Swahlstedt, Risk Management & Training Manager

DATE: January 25, 2019

RE: 2019 Education Summit

Purpose: The purpose of this memorandum is to elicit discussion regarding the theme and topics for IRMA's 6th Education Summit on October 16, 2019.

Background: The purpose of the Education Summit is to provide education, networking, and reflective thinking concerning the collective issues and challenges faced by pool members. The conference aims to inspire municipal leaders to engage in the loss prevention solutions presented by peers and the risk management partners at IRMA. These leaders are then tasked to disseminate the knowledge within their organization and provoke positive change from lessons learned.

The 5th Annual Education Summit was held on October 17, 2018, at Northern Illinois University Naperville Campus. The theme was "Take Charge, Take Action" and featured 8 sessions; legal updates, early claims intervention, roadside dangers, overcoming workers' compensation challenges, conducting internal investigations, IRMA finances (beginner & advanced) and the use of IRMA reports. The summit was a half-day workshop featuring member panels followed by the Board of Director's Meeting. The overall rating was 3.8/4.0, an improvement from 2017 rating of 3.5/4.0. For your reference of the 2018 structure, please review attached Education Summit At-A-Glance flyer.

Discussion: At the November 14, 2018, TRMC meeting committee members directed staff to continue the half-day member-panel format. TRMC requested an annual legal update session, strongly encouraging the topic as a keynote session so all attendees could benefit. Additionally, TRMC recommended implementation of written questions to allow for uniform way to manage time for questions as well as provide follow-up for those not addressed due to time-constraints. Staff was also directed to include a vendor expo to help increase membership awareness of risk mitigation products, services and software available at discounted rates.

Staff is requesting additional guidance on timeline, topics and theme for the 2019 Education Summit.

Recommendation: Discuss and provide feedback regarding the planning of the 2019 Education Summit.

Training & Risk Management Committee (2/4/19): Committee members discussed several topic ideas which included: 1) Internal Investigations – Employee Misconduct & Incivility (1st Responder/Non 1st Responder), 2) How to Change Your Safety Culture, 3) Member Risk Management & Safety Initiatives, 4) Legal Updates, and 5) Workers' Compensation. Committee was encouraged to contact staff with additional ideas as final topics and theme will be chosen at the next TRMC meeting.



MEMORANDUM

TO: Coverage, Claims & Litigation Committee

FROM: Susan Garvey, Director of Legal Services

DATE: February 1, 2019

RE: 2018 Committee Goals and Objectives Accomplishments

Action Requested: To provide the Committee Approve an update on the goals and objectives of the Committee for 2018.

Background/Discussion: The following is the status of the goals and objectives of the Coverage, Claims & Litigation Committee for 2018:

1. Review and evaluate changes or modifications to all IRMA Coverage documents as suggested by staff and make recommendation of approval of changes to the membership. Analyze the need for a coverage workshop.

Staff made a number of recommended changes to the Business Auto, General Liability and Public Officials coverage. The Business Auto coverage was modified to provide for new car replacement coverage and reduce the limits of the Uninsured/Underinsured Motorist coverage. The General Liability was modified to provide additional protection to law enforcement activities coverage. The Public Officials coverage was modified to update employment practices coverage. All recommended changes were approved by the Board of Directors at its October 17 and December 12, 2018 board meetings.

Based upon the lack of controversial coverage issues, staff did not recommend a coverage workshop in 2018.

2. Review and approve reinsurance renewal and optional coverage program.

The reinsurance renewal and optional coverage program for 2019 was approved as recommended by the Committee by the Board of Directors at the October 17, 2018 Board of Director's meeting.

3. Review and approve changes to the IRMA Claims Manual in accordance with the appropriate recommendations of the Claims Audit conducted in 2016.

Changes to the Claims Manual including changing to the Reserving Policy and Excess Reporting provisions were approved by the Committee at the Committee's September 19, 2018. The changes to the reserving policy were approved by the Board of Directors at its October 17, 2018 meeting.

4. Review and evaluate the need to create a policy for a regular RFP process for selection of defense counsel for IRMA's approved list.
Changes to the IRMA Claims Manual to provide for a RFP process for defense panel counsel every 7 years as recommended by the Executive Director and approved by the Committee was approved by the Committee at its November 8, 2018 meeting.

Recommendation: For information only.

SG/ds



MEMORANDUM

TO: Coverage, Claims & Litigation Committee
FROM: Susan Garvey, Director of Legal Services
DATE: February 1, 2019
RE: 2019 Committee Goals and Objectives

Action Requested: Approve the goals and objectives of the Committee for 2019.

Background/Discussion: The following are the proposed goals and objectives of the Coverage, Claims & Litigation Committee for 2019:

1. Review and evaluate changes or modifications to all IRMA Coverage documents as suggested by staff and make recommendation of approval of changes to the membership. Analyze the need for a coverage workshop.
2. Review and approve reinsurance renewal and optional coverage program.
3. Complete required triennial Claims Audit.
4. Continue oversight of predictive modeling program and provide quarterly reports.

Recommendation: Approve the goals and objectives of the Committee for 2019 along with additional recommendations from the Committee.

Coverage, Claims and Litigation Committee (2/12/19): The Committee added goal number 4 and approved the 2019 Goals and Objectives of the Committee with the added goal.

SG/ds



MEMORANDUM

TO: Coverage, Claims & Litigation Committee

FROM: Margo Ely, Executive Director

DATE: February 4, 2019

RE: Retirement of Jon Yambert

Purpose: The purpose of this memorandum is to inform the Committee of the retirement of one of IRMA's panel counsel.

Background/Discussion:

We were notified in November that one of our panel counsels, Jon Yambert of Chilton Yambert & Porter was retiring effective December 31, 2018. Jon was our main contact at the firm and upon his retirement, the firm will no longer be doing IRMA work. We have transferred the IRMA files to our other panel counsel. We do not anticipate the need to add a firm to the panel to replace Jon.

Recommendation: For Information only

ME/ds



M E M O R A N D U M

TO: Coverage, Claims & Litigation Committee

FROM: Margo Ely, Executive Director

DATE: February 4, 2019

RE: Litigation Successes and Updates

Purpose: The purpose of this memorandum is to highlight recent litigation successes and updates of interest.

Defense Successfully Rebutts Presumption in Workers Compensation Case

Anyone that handles workers compensation in Illinois knows that the system is very pro-employee and it is difficult to win a case for employers. Recently, however, we were successful defending a cancer claim brought by a firefighter. The Occupational Diseases Act provides a statutory presumption that certain diseases are presumed to be work-related, including cancer, for firefighters. In these cases, the employer must rebut the presumption through expert evidence. In the case, the defense presented the testimony of a board-certified urologist whose opinion was that the firefighter's prostate cancer was not caused by firefighting, but, rather that the risk factors for prostate cancer are "heredity, ethnic origin, age and diet." He further testified that genetics play the greatest role in prostate cancer. The arbitrator found that the defense rebutted the presumption and concluded the cancer was not work related. On appeal, the Appellate Court affirmed the finding, concluding that the defense "burden was merely to set forth some evidence in order to negate the presumption."

Federal Property Case Dismissed

Municipalities are sometimes a target for lawsuits, in part, because of our local control through statutory zoning power. Property owners, and those persons who are looking to purchase and develop property, claim torts and constitutional violations if they don't get what they want. In one recent case, the federal judge dismissed the case because the Plaintiff was not actually the owner of the property. She found that the Plaintiff lacked standing, "a litigant cannot sue in federal court to enforce the rights of third parties." The Plaintiff was a shareholder of the corporation that owned the property. However, the court maintained that "a shareholder cannot sue for indirect harm that he suffers from an injury to the corporation." The case is currently on appeal.

The Importance of Pictures – Illinois Supreme Court upholds admissibility

We frequently emphasize to our members the importance of pictures when investigating claims. Most often pictures are critical when investigating a slip and fall claim where the claimant alleges a property defect. Pictures are also important when there are vehicle accidents. The Illinois Supreme Court recently issued an opinion finding that such pictures are admissible because they can be helpful to a jury when considering damages. In the case, Peach v. McGovern, the trial court allowed pictures of damage to vehicles to be introduced without any expert testimony. The pictures showed very little, if any, damage to the vehicles involved in a rear-end collision. The Plaintiff claimed significant physical injuries and pain. However, the

defense introduced the pictures to show that it was a minor accident, and Plaintiff's claimed injuries were not caused by the accident.

The jury awarded no damages to the Plaintiff, who appealed the case claiming that the pictures should not have been introduced without an expert to testify as to whether the damage to the vehicles was relevant to the Plaintiff's injuries. According to the plaintiff, the trial court erred when it allowed defense to argue there was a correlation between the amount of damage to the vehicles as depicted in the photographs and plaintiff's injuries, without expert testimony. The appellate court reversed, concluding that "the jury should have concluded that defendant's negligence proximately caused plaintiff's injuries." The Illinois Supreme Court disagreed.

The issue in the case was whether the jury can properly relate the vehicular damage depicted in the photos to the injury without the aid of an expert. The Court found that jurors can consider such evidence without expert testimony. "If a jury is allowed to consider relevant testimony about vehicle speed and impact forces, a jury should be permitted to consider photographs that depict the damage, or lack thereof, done to the vehicles." The Court also considered the cost of expert witnesses in rendering the decision. "Additionally, requiring an expert physician or auto reconstruction engineer to testify and explain evidence that is understood by the jurors imposes financial burdens on an already expensive discovery and trial process." Based on this opinion, pictures are admissible at trial without expert testimony, which will reduce litigation costs and enhance the veracity of verdicts.

Another Win in a Police Case

A process server was attempting to serve foreclosure papers on a couple when their son answered the door. What occurred is disputed, but the son called 911 and reported that there was a man at the door threatening him, refusing to leave and claiming to be an officer. Thereafter, upon response by police, the process server was arrested and charged with trespass, disorderly conduct and false personation. The prosecutor dismissed the first two charges and, after a bench trial, a judge found the process server not guilty. As a result of the not guilty, he filed a federal civil rights case for the arrest and charges. In order to succeed on these claims, the Plaintiff must prove that the officers had no probable cause. "A police officer has probable cause to arrest a person if, at the time of the arrest, the facts and circumstances within the officer's knowledge are sufficient to warrant a prudent person to believe the suspect has committed an offense. Based on the facts in this case, the judge found that the officers had probable cause and entered summary judgment in favor of the police.

ME/ds



MEMORANDUM

TO: Eric Helm, Chair
Administration & Finance Committee

FROM: Rita Boserup, Director Finance and Administration
Margo Ely, Executive Director

DATE: February 15, 2018

RE: 2018 Budget Amendment

Action Requested: Approve a budget increase of \$603,748 to the Contribution Revenue line item and an offsetting budget increase in the Loss Fund expense line item. The overall IRMA 2018 actual spending budget remains unchanged; this amendment is needed due to the late 2017 addition of Mount Prospect and the March addition of WC3.

Background/Discussion: The IRMA Budget Policy provides that a budget amendment is needed if the total IRMA budget amount is increased. Due to the late 2017 notification regarding the addition of the Village of Mount Prospect, their numbers were not included in the 2018 budget. Also, since WC3 joined IRMA in March, their numbers are not included in the 2018 budget. Without a budget amendment to the Loss Fund, overall expenses will exceed the total budget. The entry for a member's contribution payment is to increase revenues with an equal amount entered as an expense to the Loss Fund. We need to increase the Contribution Revenue budget by \$603,748, which is the amount received from Mount Prospect and WC3 in 2018 and increase the Loss Fund line item by the same amount in order to keep the budget balanced.

The Budget Policy states that the total budget cannot be exceeded without approval, so the Administration and Finance Committee, Executive Board, and Board of Directors need to approve this change.

Recommendation: Approve the budget amendment.

Administration and Finance Committee (2/19/19): The AFC approved the 2018 Budget Amendment and recommended that the approval process for a new member include the budget change amendment at the time the new member is voted in.

Executive Board: Approve the 2018 Budget Amendment.

RB



MEMORANDUM

TO: Training & Risk Management Committee

FROM: Jennifer Swahlstedt, Risk Management & Training Manager

DATE: January 24, 2019

RE: Steering Committee Statement of Responsibility and Structure

Action Requested: Approve the modification to the Steering Committee Statement of Responsibility and Structure.

Background/Discussion: The Statement of Responsibility and Structure requires revision to reflect the changes made to the Training & Education Committee in 2018 to the Training & Risk Management Committee. Additional minor revisions are reflected to mirror the overall mission and goals of the IRMA organization.

Recommendation: Approve recommended changes as presented along with any additional recommendations from the Committee.

Training & Risk Management Committee (2/4/19): Committee approved the changes as outlined unanimously.

Attachment: Steering Statement of Responsibility-Revised 1.24.19

JS/II

**TRAINING AND ~~EDUCATION-RISK MANAGEMENT~~ COMMITTEE'S
~~POLICE CHIEFS, FIRE CHIEFS, PUBLIC WORKS DIRECTORS,
AND PARKS/RECREATION DIRECTORS~~ STEERING COMMITTEES STATEMENT OF
COMMITTEE RESPONSIBILITY AND STRUCTURE
(Fire Chiefs, Parks/Recreation Directors, Police Chiefs and Public Works Directors)**

STATEMENT OF COMMITTEE RESPONSIBILITY AND STRUCTURE

THE STEERING COMMITTEES SERVE AS A KEY ELEMENT TO THE EFFECTIVENESS OF THE TRAINING AND RISK MANAGEMENT STRUCTURE OF IRMA. STEERING COMMITTEES ARE RESPONSIBLE FOR ADVISING AND PROVIDING STRATEGIC GUIDANCE ON COLLECTIVE CHALLENGES SHARED BY MEMBER OPERATING DEPARTMENTS. THE EFFECTIVENESS OF EACH STEERING COMMITTEE IS DEPENDENT UPON THE LEVEL OF COMMITMENT DEMONSTRATED BY MEMBERS AND THEIR COLLECTIVE EXPERIENCE.

1. Steering Committee Membership, Committee Officers, and Meetings.
 - A. All IRMA member department heads (or their designee) in the above departments are automatically members of their appropriate committee.
 - B. Each committee shall elect the following officers annually, with the exception of Parks & Recreation: Chair, Vice-Chair, and Secretary.
 1. The Chair shall conduct all meetings and make assignments as deemed appropriate ~~together~~ with the assistance of the Committee Officers and the IRMA Liaison.
 2. In the Chair's absence, the Vice-Chair shall conduct the meetings.
 3. The Secretary shall keep the minutes and prepare future meeting agendas in accordance to the instructions of the Chair.
 4. Officers may not serve more than two consecutive terms in the same position unless authorized by IRMA's Executive Director.
 5. The immediate past Chair of the respective committees shall serve as a member of the Training & ~~Education-Risk Management~~ Committee. In his/her absence, the members of the Steering Committee shall elect an alternate as their member (representative) on the Training & ~~Education-Risk Management~~ Committee.
 6. Parks & Recreation will elect only a Chair and Vice-Chair who will serve ~~two-year~~two-year terms. Minutes will not be taken, and the meeting agenda will be prepared by the IRMA Liaison. The IRMA Liaison will be responsible for providing updates to the Training and ~~Education-Risk Management~~ Committee.
 - C. ~~Police~~, Fire, Police and Public Works Committees shall meet at least ~~four~~three times per year, or as determined otherwise, at locations to be determined by their membership. Parks & Recreation Committee shall meet at least ~~two~~one times per year, or as determined otherwise, at locations to be determined by their membership.
2. The IRMA Liaison or designee shall sit on the committee as a non-voting member and shall provide technical expertise and guidance to the committees.
3. The Committees shall develop programs in their specific areas of operation and recommend

approval to the Training & ~~Education~~-Risk Management Committee, i.e.,

- Training/Education
 - IRMA Reference and Audio-Visual Library
 - Department Safety Awards
 - IRMA Risk Management Service Visits
 - Members Risk Management Policies and Procedures
 - Any other subject related to their area that they deem appropriate and is approved by the Training & ~~Education~~-Risk Management Committee
4. Recommend ~~special~~ risk management programs for consideration to the Training & Risk Management Committee and IRMA Liaison with the general purpose and intent of ~~supporting the overall IRMA Members' efforts~~increasing safety awareness, reducing loss exposures and preventing injuries.-
 5. Review loss data for their areas of operations and contribute to the development of loss control recommendations to improve the major loss areas in the form of additional training topics, products, services or equipment for pooled pricing discounts, risk management pilot programs, and/or grant opportunities.
 6. Such further responsibilities as may be assigned by the Chair of the Training & ~~Education~~-Risk Management Committee and/or the IRMA Executive Director.

Adopted 10/91
Revised 1/03
Revised 6/30/10
Revised 12/18/13
Revised 1/24/19



MEMORANDUM

TO: Training & Risk Management Committee
FROM: Jennifer Swahlstedt
DATE: January 28, 2019
RE: 2019 IMAP & MSP Loss Control Evaluations

Action Requested: Approve recommendations to put the IMAP & MSP Loss Control Evaluations in abeyance during 2019 to allow for staff to survey the membership regarding the effectiveness of these processes and suggest revisions based on input and research.

Background: The IMAP (IRMA Management Assessment Program) is a consulting service of the IRMA Risk Management Department wherein staff provides a comprehensive review of factors most associated with a successful risk management program. The assessment includes review of each member’s risk management program in three major categories: Risk Management Administration, Employment Practices, and Injury/Liability Prevention. Each category is weighted to calculate the compliance rating percentage. The compliance scores dictate the level of IMAP Accreditation, member visit cycle, and additional benefits as outlined below:

IMAP Compliance Score	Visit Cycle	Accreditation Level
Below 85%	3-Year	NA
85%-94%	4-Year	Level I Plaque
95%-100%	5-Year	Level II Plaque, \$1,500 & Experience Modifier Credit
5-Year Loss Experience 70% Below IRMA Targets		

The IMAP visit ranges from 1-2 days depending on the size of the member and requires participation from all department heads or other identified personnel. This visit is a time commitment for both IRMA staff and member employees.

Once the IMAP is completed, the results are summarized with identified recommendations for improvements. The results are further discussed during the MSP (Member Service Plan) visit, which occurs 30-60 days after the IMAP visit. The MSP provides a snapshot of the member’s position in the pool, including rank, participation, claims to target comparison and a summary of IRMA service visits. Additionally, IMAP recommendations are prioritized and reviewed with suggested response deadlines. The membership has provided feedback informally advising that this process is cumbersome and in need of review.

Discussion: The unique makeup of committee members of the TRMC lends itself perfectly as a focus group to provide staff with feedback on the current IMAP/MSP process as well as

recommendations for improvements. The request for IMAP and MSP visits to be put in abeyance in 2019 allows staff the proper time to research and develop a modernized loss control program to address member risk management practices, regulatory issues and loss experience. Additionally, staff will need to review the underlying system to measure if member compliance score tie to accreditation, membership ranking and loss experience.

In 2019, 20 members were in line to complete an IMAP and MSP visit. All members other than LTACC (new member) show high compliance score ratings and all have received at least IMAP Level I Accreditation, which indicate good risk management practices. Therefore, the suspension of the IMAP program should not create any adverse effects for the pool. However, review of each member five-year loss history and loss-to-contribution report identified several members that are experiencing a trending increase in claims. These members would benefit from a meeting with IRMA's risk management team in order to address any issues the organization is encountering. Based on this criterion, and indicated below, 7 members were identified to remain on the schedule in 2019 for a risk management visit. LTACC is included in this number as they are a new member to IRMA without a baseline IMAP visit.

2019 IMAP/MSP Schedule		
Member	Prior IMAP	Prior Compliance Score
Addison	September 2013	99%
Barrington	July 2015	95%
Bartlett	June 2014	95%
Bloomington	April 2014	95%
Burr Ridge	March 2015	97%
Crystal Lake	October 2013	97%
Hanover Park	April 2013	97%
LaGrange	October 2013	96%
Lake Forest	June 2015	98%
Lisle	Sept. 2015	99%
LTACC	NA	NA
Mundelein	June 2015	95%
NEMERT	December 2013	98%
Northfield	July 2015	95%
Riverside	August 2014	94%
West Dundee	October 2015	98%
Western Springs	August 2013	96%
Winfield	March 2015	96%
Winfield FPD	August 2014	97%
Woodridge	September 2014	98%

Additionally, the identified members remaining on the schedule will allow staff to pilot any program updates and make changes as necessary. Staff will report to the TRMC regarding any enhancements to these loss control visits throughout 2019.

Recommendation: Agree with staff recommendation to put IMAP and MSP loss control evaluations in abeyance in 2019.

Training & Risk Management Committee (2/4/19): The Committee approved staff recommendations to place IMAP and MSP evaluations in abeyance in 2019. TRMC provided good insight into the challenges and benefits of both programs; comments included focusing more on policy implementation practices, reducing duplication of questions throughout operating departments, incorporating loss data, identifying challenges for small members, and providing more consistency in evaluations. Overall feedback was that while the process is tedious it is beneficial.

For Review: [IMAP Worksheets](#)

JS/II



MEMORANDUM

TO: Coverage, Claims & Litigation Committee

FROM: Susan Garvey, Director of Legal Services

DATE: February 1, 2019

RE: Business Auto Liability Proposed Coverage Changes

Action Requested: Consider and approve recommended changes to the definition of Member and a new exclusion for criminal acts in the IRMA Business Auto Liability coverages as presented.

Background: At the November 8, 2018 Committee meeting Staff brought proposed changes to the Business Auto Liability coverage to the Committee for consideration. Those proposed changes include a change to the definition of "Member" and the addition of an exclusion for criminal acts or serious traffic offenses. Attached is the original memo dated October 29, 2018. As indicated in that memo, the proposed changes arose out of a recent case in which a member employee driving a Village vehicle, while on personal time and in violation of the member's policy, was involved in an accident and charged with DUI. IRMA denied coverage to the employee (now former employee) and denied coverage to the driver of the other vehicle. The case raised the question of the exclusion from coverage for criminal acts and/or serious traffic offenses, such as DUI.

Staff proposed adding an exclusion to the Business Auto Liability coverage for claims that arise out of criminal conduct and serious traffic offenses because the pool should not be liable for the criminal or illegal conduct of an employee who is acting outside the scope of his/her duties. The exclusion that was proposed would exclude coverage for the employee, official, agent, volunteer or other person using a covered vehicle with the member's permission who committed a criminal act punishable by jail or committed serious traffic offenses that are punishable by jail and/or subject to the immediate loss of driving privileges.

At the November 8, 2018 Committee meeting the Committee had no objection to the proposed change to definition of Member in the Business Auto Liability coverage. After a lengthy discussion about the exclusion for criminal act and/or serious traffic offenses, the Committee instructed staff to provide a definition of when an individual is determined to have committed an offense. The Committee's discussion on the exclusion for criminal acts/serious traffic related offenses revolved around the determination of when an act or offense is "committed" to trigger the exclusion. The Committee agreed that the trigger of the proposed exclusion should not be limited to a court disposition or conviction on the offense and requested staff to add a definition of commit that reflects that position.

Discussion:

Upon further consideration of the exclusion at the Committee's request, staff identified a concern with the addition of the exclusion to the Business Auto Liability coverage as previously presented to the Committee. A recent case highlights that concern. A member employee while backing up in a snow plough hit a resident, killing him. If the employee was ticketed or charged with a serious offense as a result of this accident, even though acting within the scope of his duties, he would be denied coverage. That is not what was intended by the proposed exclusion.

The conduct that was intended to be excluded from coverage is conduct that is outside the scope of an employee's duties, for example drinking and driving in a Village vehicle. This conduct is clearly different than the tragic accident noted above. To address this concern, staff is proposing an additional change to the definition of member, rather than the addition of an exclusion to coverage.

In order to be entitled to coverage an individual must be a member of IRMA as that term is defined in the coverage. The Business Auto Liability coverage provides that IRMA:

"...will pay all sums a "Member" legally must pay as damages because of "bodily injury" or "property damage" to which this coverage applies, caused by an "accident"

The coverage then proceeds to define who is a member. The original proposed change to the definition of member was to clarify the definition of member as "the entity, its employees and lawfully elected and appointed officials" as opposed to the current general reference to "You". The Committee had no objection to that modification. Staff is proposing the addition of language to this definition to require that the employee or official be "acting within the scope of their duties or authority." As a result, an individual acting outside the scope of their duties, like drinking and driving in a member vehicle, would not be a member and therefore not entitled to coverage. Staff believes the exclusion of coverage is accomplished in a much broader and clearer manner by adding this language to "member" rather than through the previous proposed exclusion.

Also included in the definition of member is the "permissive user". The definition reads:

"Anyone else is a "Member" while using with your permission a covered "auto" you own, hire or borrow..."

A permissive user might include a family member or a contractor who is being allowed to use a Village vehicle. Since the user is not an employee or official of the Member, the "acting within the scope of duties or authority" limitation would not be applicable to that user. This raises a dilemma. An employee who is acting outside their scope of duties by participating in illegal conduct would be denied coverage, but a permissive user who is not an employee or official of the member could be acting illegally and still have coverage. To address this issue, staff is proposing an additional exclusion to the "permissive user" provisions of the definition to exclude a permissive user involved in criminal or illegal conduct.

The newly proposed modifications are attached for consideration.

Recommendation: Approve the changes to the Business Auto Liability coverage as presented.

Coverage, Claims and Litigation Committee (2/12/19): The Committee had an extensive discussion about municipal vehicle use policies and the ramifications of an exclusion for illegal conduct of an employee or official driving a municipal vehicle as proposed in the Section c.5. of the definition of member. The Committee raised a concern about the type of conduct that could be included in illegal conduct, i.e., the issuance of a simple traffic citation. The Committee also discussed the exclusion of coverage for individuals driving municipal vehicles while under the influence. The Committee requested staff to do additional research on dui or criminal conduct exclusions contained in other businesses auto policies and the feasibility of an optional coverage for the personal use of municipal vehicles. The Committee further requested that staff put an agenda item on a future committee meeting to discuss a policy decision on a DUI

coverage exclusion. The Committee also had a lengthy discussion on the meaning of and instances of when an employee or official would or would not be “acting within the scope of their duties and authority” in paragraph b. The Committee approved the changes to the definition of “Member” in paragraphs a. and b. and did not vote on the proposed change set forth in paragraph c.5. (which has been struck from the attached redlined Business Auto Liability document).

SG/ds
Attachment

SECTION II - LIABILITY COVERAGE

A. COVERAGE

We will pay all sums a "Member" legally must pay as damages because of "bodily injury" or "property damage" to which this coverage applies, caused by an "accident" and resulting from the ownership, maintenance or use of a covered "auto".

We will also pay all sums a "Member" legally must pay as a "covered pollution cost or expense" to which this coverage applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos". However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this coverage applies that is caused by the same "accident".

We have the right and duty to defend any "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend "suits" for "bodily injury" or "property damage" or a "covered pollution cost or expense" not covered by this Coverage Form. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Liability Coverage Limit of Coverage has been exhausted by payment of judgments, settlements or supplementary payments.

1. WHO IS A MEMBER

The following are "Members" for any covered auto:

a. The Public Entity Member

b. , The Public Entity Member's employees and all persons who are lawfully elected or appointed officials of the Public Entity Member while acting within the scope of their duties or authority; You for any covered "auto".

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~~bc.~~ Anyone else is a "Member" while using with your permission a covered "auto" you own, hire or borrow except:

1. The owner or anyone else from which you hire or borrow a covered "auto". This exception does not apply if the covered "auto" is a "trailer" connected to a covered "auto" you own.
2. Your employee if the covered "auto" is owned by that employee, or a member of his or her household.
3. Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing or parking "autos" unless that business is yours.
4. Anyone other than your employees, partners, a lessee or borrower or any of their employees, while moving property to or from a covered "auto".

~~5. Someone involved in illegal conduct. Illegal conduct is defined as behavior in violation of a law or contrary to public policy.~~

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~~5. A partner or yours for a covered "auto" owned by him or her or a member of his or her household.~~

Auto.8

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de. Anyone liable for the conduct of a "Member" described above but only to the extent of that liability.

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2. COVERAGE EXTENSIONS

- a. Supplementary Payments. In addition to the Limit of Coverage, we will pay for the "Member":
1. All expenses we incur.
 2. Up to \$250 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
 3. The cost of bonds to release attachments in any "suit" we defend, but only for bond amounts within our Limit of Coverage.
 4. All reasonable expenses incurred by the "Member" at our request, including actual loss of earning up to \$100 a day because of time off from work.
 5. All costs taxed against the "Member" in any "suit" we defend.
 6. All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" we defend; but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Coverage.
- b. Out-of-State Coverage Extensions

While a covered "auto" is away from the state where it is licensed, we will:

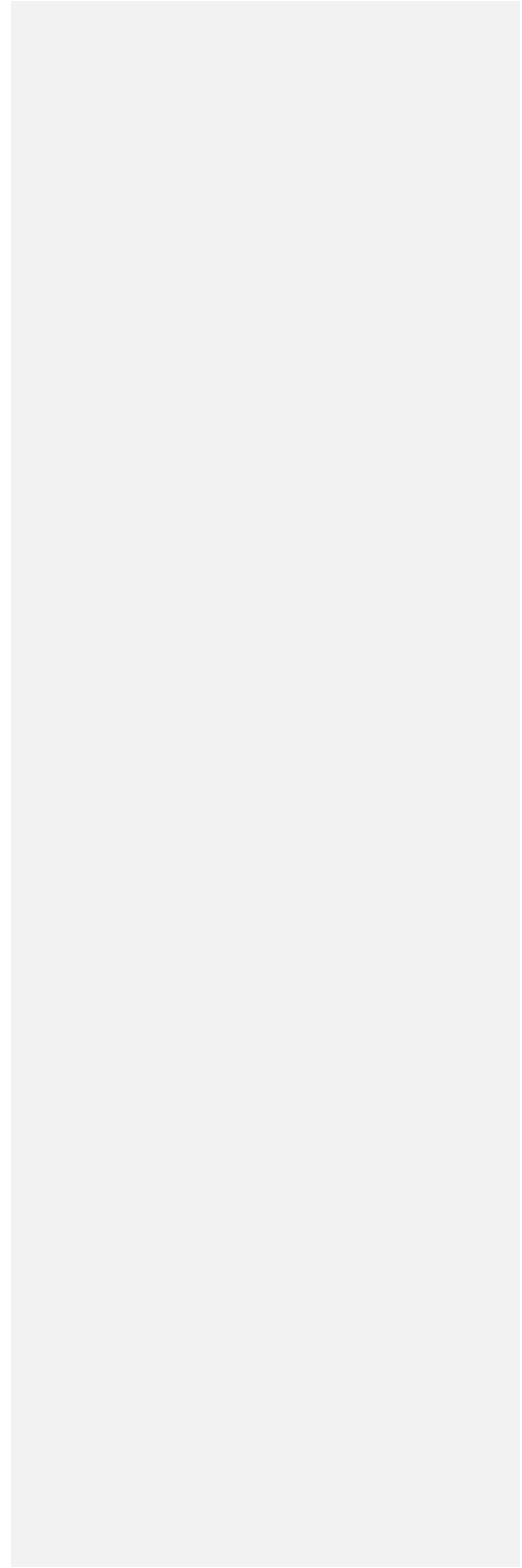
1. Increase the Limit of Coverage for Liability Coverage to meet the limits specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.
2. Provide the minimum amounts and types of other coverages, such as no-fault, required of out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

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B. EXCLUSIONS

This coverage does not apply to any of the following:

1. EXPECTED OR INTENDED INJURY

"Bodily injury" or "property damage" expected or intended from the standpoint of the "Member".

~~2. CRIMINAL ACTS OR SERIOUS TRAFFIC OFFENSES~~

~~An employee, elected or appointed official, agent, volunteer or other person who is using a covered auto with your permission who commits a jailable criminal offense, a misdemeanor or felony traffic offense that is a jailable offense and/or may result in the immediate loss of driving privileges.~~

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2. CONTRACTUAL

Liability assumed under any contract or agreement.

But this exclusion does not apply to liability for damages:

- a. Assumed in a contract or agreement that is a "covered contract" provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or
- b. That the "Member" would have in the absence of the contract or agreement.

3. WORKERS' COMPENSATION

Any obligation for which the "Member" or the "Member's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

4. EMPLOYEE INDEMNIFICATION AND EMPLOYER'S LIABILITY

"Bodily injury" to:

- a. An employee of the "Member" arising out of and in the course of employment by the "Member", or
- b. The spouse, child, parent, brother or sister of that employee as a consequence of paragraph a. above.

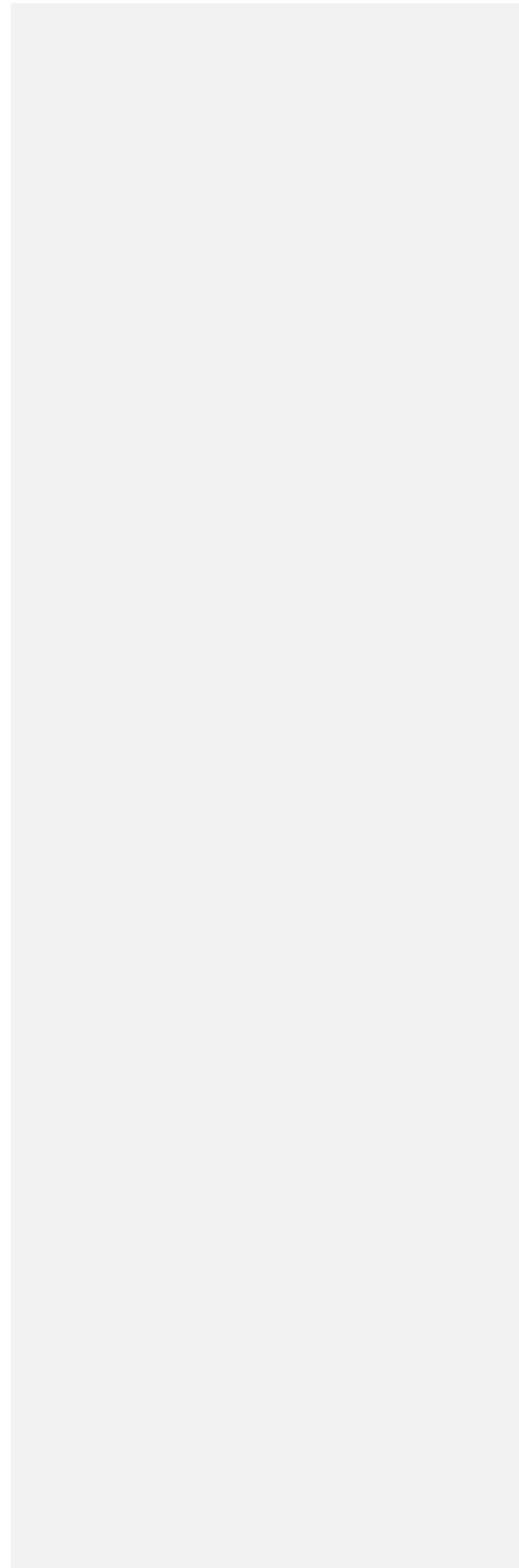
This exclusion applies:

1. Whether the "Member" may be liable as an employer or in any other capacity; and

2. To any obligation to share damages with or repay someone else who must pay damages because of the injury.

Auto.10

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M E M O R A N D U M

TO: Executive Board
FROM: Margo Ely, Executive Director
DATE: February 20, 2019
RE: Revise Committee Policy

ACTION REQUESTED: Concur with staff's recommendation to revise the Committee Policy.

BACKGROUND/DISCUSSION: The Committee Policy needs to be revised to accurately reflect the change to the Training and Risk Management Committee. In addition, as we have been encouraging more active participation in IRMA, we are receiving interest from members in serving on our standing committees. For this reason, the attached revision also increases the number of members on each committee from "7-10" to "up to 15."

RECOMMENDATION: Approve staff's recommendation.

ME/ds
Attachment

IRMA COMMITTEES

The Bylaws of IRMA specifically provide for Committees of the Agency, and the work of the Committees constitutes an important part of the management of this Agency.

There are four (4) standing Committees of IRMA:

1. Administration & Finance Committee
2. Coverage, Claims & Litigation Committee
3. Membership Relations Committee
4. Training & Education-Risk Management Committee

The Board of Directors has adopted a "Statement of Committee Responsibility" for each of the Standing Committees. (See attached.)

The Chair of the Board appoints the Chair of each of the Standing Committees except the Administration and Finance Committee. It is the responsibility of each Committee Chair to recruit the members of his or her Committee, and select from among their Committee members a Committee Vice Chair to serve with full power and authority of the Committee Chair in the absence of the Committee Chair. The Chair and the Executive Director can assist in such recruitment. IRMA Delegates and Alternates are encouraged to serve as members of the Committees. Committee Chairs shall recruit Delegates and Alternates whenever possible.

Committee member term of participation is two years. Committee members are limited to two consecutive terms on a given committee. Only one representative from a member shall serve on the same Committee at any one time.

Committee size is recommended to be ~~7-10~~up to 15 members (including Chair).

The Committee Chair and IRMA staff will be responsible for monitoring Committee member's attendance. The Committee Chair is responsible for consulting with Committee members whose meeting attendance falls below 75%. The Committee Chair has the authority and prerogative to replace Committee members whose attendance demonstrates a lack of interest in Committee work.

Committees are expected to consider matters within their area of responsibility, and matters assigned by the Chair, and to report back to the Executive Board and the Board of Directors. All Committee members are defended and indemnified by IRMA in accordance with Section 5.04 of the Contract and Bylaws.

Committees will meet as determined by the Committee Chair.

The Chair may appoint an Ad Hoc Committee to study special issues. Such Ad Hoc Committees will report their findings and recommendations to the Executive Board and the Board of Directors.

The Executive Director and/or a member of his or her staff is a non-voting member of the Committees and will attend all Committees to give guidance, prepare reports and answer Committee questions.

Committees are expected to maintain minutes of their meetings. The originals are filed with the Executive Director and made part of the permanent records of IRMA.

The Nominating Committee will be chaired annually by the Immediate Past Chair. The Committee will consist of the three Immediate Past Chairs and up to two additional participants selected from the members who volunteer to serve on the Committee. The Committee will interview and select candidates interested in serving as Chair Elect, Treasurer of IRMA, and the two At-Large Executive Board Members for the next year's term. The Committee will also solicit member interest in serving on Committees. The Chair of the Nominating Committee will present the nominees at the final Board meeting for a vote by the Board of Directors.

Approved 11/89
Revised 10/04
Revised 3/7/07
Revised 1/14/09
Revised 3/1/17
Revised 3/1/18