



MEMORANDUM

TO: Board of Directors

FROM: Margo Ely, Executive Director

DATE: November 5, 2018

RE: **Recognition for Outgoing Executive Board Members & Standing Committee Members**

PURPOSE:

The Board of Directors would like to express appreciation and recognition to the outgoing Executive Board members and outgoing Standing Committee members.

AWARDS

Out-Going Executive Board Members *(To be presented with plaques/name plates)*

Bridget Wachtel (Village of Flossmoor) – Chair of Membership Relations Committee
2015 – 2018

Peggy Halik (Village of Woodridge) – At-Large Representative (Large Member)
2015 – 2018

Out-going Standing Committee Members *(To be presented with plaques/name plates)*

Administration & Finance Committee

Brad Bettenhausen (Village of Tinley Park) 2016 – 2018

Lynn McCammon (Village of Winfield) 2015 – 2018

Jason Bielawski (Village of Roselle) 2015 – 2018

Coverage, Claims & Litigation Committee

Kevin Wachtel (Village of Villa Park) 2015 – 2018

Membership Relations Committee

Jack Knight (Village of Lisle) 2015 – 2018

Charles Meyer (Village of Lincolnwood) 2015 – 2018

Training & Education Committee

Amy Zukowski (Village of Homewood) 2016 – 2018

Laura Ditanto (Village of Libertyville) PWSC Liaison – 2018

James Arie (Village of Barrington) FCSC Liaison – 2018

Matt Smizinski (Village of Lake Bluff) PCSC Liaison – 2018



MEMORANDUM

TO: Steering Committees
Standing Committees

FROM: Jennifer Swahlstedt, Risk Management & Training Manager

DATE: October 25, 2018

RE: Member Forum – New Website Feature

Purpose: To raise awareness of the member discussion forum, a new website feature added during the 2018 IRMA website redesign.

Background/Discussion: In 2018, IRMA redesigned the website to mirror current branding as well as increased functionality and use for all members. As part of the redesign, a discussion forum was established to facilitate networking and sharing of ideas between member departments. Members will be able to subscribe to any/all discussion boards, create a new thread/discussion/question, participate in discussion, and attach documents such as sample policies. By subscribing, members will be automatically alerted via email of any new discussion threads. Attached are instructions to subscribe and post within the discussion forum.

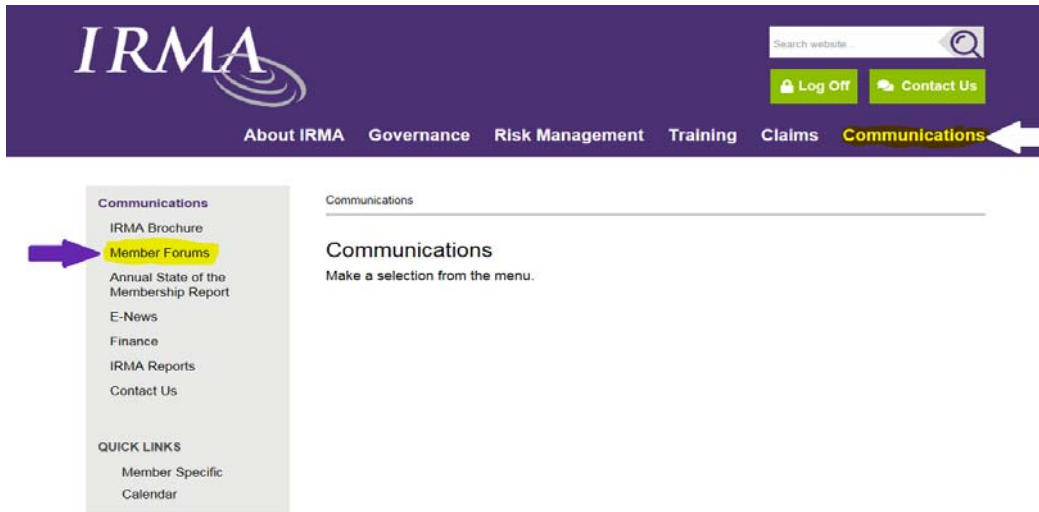
Recommendation: Please join in the conversation – subscribe [here](#).

Attachments: Member Forum – Subscription Instructions
Member Forum – Creating a Discussion Instructions

Member Forum – Subscription Instructions

Step 1: Log in to the website www.irmarisk.org. If you do not have a username and log in, please contact Donna Sluis at (708) 236-6349 or donnas@irmarisk.org. Once completed you will receive an email notification confirming your subscription.

Step 2: Click on “Communications” then “Member Forums”



Step 3: Select the Forum by clicking the hyperlink

Forum	Threads	Posts	Last post
Administration Administrative Discussion by IRMA Members	0	0	(N/A)
Finance A forum for the Finance Department	0	0	(N/A)
Fire Department Fire Department Discussion by IRMA Members	1	1	jennifers (10/24/2018 8:34:41 AM)
Parks and Recreation Parks and Recreation Discussion by IRMA Members	0	0	(N/A)
Police Department Police Department Discussion by IRMA Members	0	0	(N/A)
Public Works Public Works Discussion for IRMA Members	0	0	(N/A)

Step 4: Then click “Subscribe to Forum”

New thread [Subscribe to forum](#) Members > Administration

Thread	Created by	Posts	Views	Last post
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Step 5: Your email will automatically populate, then hit “OK”.

Subscribe to forum

Email:



Member Forum – Creating a Discussion Instructions

Step 1: Select the applicable forum then click “New Thread”

[New thread](#) [Subscribe to forum](#) | [Members](#) > Administration

Thread	Created by	Posts	Views	Last post
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Step 2: Complete the fields. Remember to subscribe to post to receive updates on your discussions. Click “OK” to post.

New thread

User name:

Email:

Subject:

Post:

Subscribe to post:

Attach file(s):

OK

Cancel

Preview

Optional: Attaching Files

Select “Attach File(s)” and follow prompts to upload documents. Select “Upload” when complete

Attachments

Maximum allowed file size is 3000 kB.

Browse...

Upload

Back



MEMORANDUM

TO: Membership Relations Committee

FROM: Dan LeTourneau, Director of Risk Management Services

DATE: October 26, 2018

RE: Recruitment, Retention and Marketing Efforts - Update

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, recent 2018 marketing activities include:

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

During 2017, IRMA has purchased a professional pull-up marketing banner, IRMA logo tablecloths and additional marketing items for distribution at conferences. We have just introduced our new IRMA website with an updated look, more interactive and use friendly. We also have been promoting the IRMA microsite at www.chooseirma.org.

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

Membership Relations Committee Recommendation (11/7/18): The MRC approved the Recruitment, Retention and Marketing Update Report as presented by staff.

DLT/II

Attachments: Membership Recruitment & Retention Report



**2018
MEMBERSHIP RECRUITMENT & RETENTION REPORT
(As of October)**

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.	Awaiting Formal 2019 Application	Currently in MICA until 5/19. IRMA quote substantially lower.
Village of Winnetka	N/A	TBD	2019	Met on May 31, 2018. Will pursue app. In 2019.
Village of Wheeling	N/A	TBD	2019	Discussion at IPELRA. Open to evaluating an IRMA quote.
Village of Elmhurst	N/A	TBD	2019	Contact from ILCMA Conference. (Jim Grabowski) Meeting set for 11/6.
Village of Elk Grove	N/A	TBD	N/A	Moving to AJG SLIP Program.
City of Wheaton	N/A	TBD	2019	Bob Lenhardt, Finance Director, not interested in a quote this year. Will review in 2019.
Village of Lincolnshire	Complete	\$276,062 (14,20% credit) (2018)	2019	Moved to Comm. Ins. Program. Will contact for 2019 quote.
Village of Blue Island	Awaiting loss data Mostly self-insured.	TBD	2019	Mike Marzal, Dir. Of Finance & Admin., requested an IRMA Quote.

Village of Highwood	Prev. Quote:139,304 / 30.69% Debit	TBD	2019	Outsourced Fire Services. Would like to re-apply.
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APPLICATIONS ACCEPTED / DECLINED / REMOVED FROM SOLICITATION

Municipality/ Special District	Contribution	Accept/Decline Application	Notes
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 Mesirov (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

DATE: October 26, 2018

RE: Participation Program – Update/Additional Recognition

Action Requested: Approve the additional recognition in the form of plaques presented at the IRMA Board meeting for members achieving a 100% participation score.

Background/Discussion: An additional review of the current program was an MRC objective for 2018. In the attached previous memorandum, IRMA staff reviewed our current member Participation Program, compared our Board structure and participation programs from other pools across the country to determine if program revisions would enhance the effectiveness of our member participation in IRMA. Staff proposed four options for revisions to the current participation program criteria to the MRC at their 11/8/17 meeting. After a lengthy discussion, the MRC recommended Option #4, to retain the current participation program structure with the addition that a Member must attend two Board meetings a year to be eligible to receive IRMA Grants. The MRC recommendation was discussed in detail at the 11/29/17 Executive Board meeting. The Executive Board agreed to leave the current participation program in place but added that any Member providing notice of withdrawal IRMA would not be eligible for any IRMA grant. Staff also noted that when additional database software is available to allow for better tracking of IRMA training and risk management activity the program will be re-evaluated. Staff will be exploring additional available tracking options for training and risk management activity through an enhanced database or from the 2019 Risk Master program upgrades.

Additionally, staff is recommending that beginning in 2019, any member receiving a participation rating of 100% will be recognized with a recognition plate for their IRMA Achievements & Award Plaque at the first Board meeting of the following year. During 2017, there were eight members with a participation percentage of 100%. This will serve as further recognition of the importance IRMA member participation.

Recommendation: Approve staff's recommendation to recognize all IRMA members with a Participation Percentage of 100% with a recognition plate for their IRMA Achievement & Award Plaque. Re-evaluate the Participation Program as additional training and risk management activity tracking software is implemented.

Membership Relations Committee Recommendation (11/7/18): The MRC approved staff's recommendation to recognize all IRMA members with an annual Participation Percentage of 100% with a recognition plate and re-evaluate the Participation when additional training and risk management activity tracking software is implemented.



MEMORANDUM

TO: Membership Relations Committee

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

DATE: October 20, 2017

RE: Participation Program

Action Requested: Discuss and approve the recommended revisions to the current IRMA participation report.

Background: The MRC recently raised questions about the IRMA participation report and asked staff to analyze whether we are measuring participation in a meaningful way. As background, we know that member participation is critical for a member-owner risk pool. By participating, members become fully vested in the outcomes, programming and governance of all IRMA activities. Secondly, it helps build a well-rounded pool, allowing for input from all members – large and small – assuring that the pools' policies are reflective of the members' needs. Thirdly, participation assists in reducing individual exposure to risks and serves as an excellent networking tool to solve challenges each member faces. IRMA began tracking member participation in 1996 by tracking the total number of Board, Standing and Steering Committees attended each year. In 1999, we began to track meeting participation by percentage: Board (50%), Standing/Adhoc Committee (25%), Steering Committee (12.5%) and added training (12.5%). In 2003, the percentages for Steering Committee and IRMA Training were reduced to 10% each to allow for Standing Committee Chairs, Steering Committee Officers, and NAPD Trainers to received 5%. In 2005, the participation credit for training was removed as many members indicated they were receiving the training, but not from IRMA. Since this point, the participation percentages remained relatively stable at the current percentages noted below. However, this issue has not been reviewed in more than a decade.

Discussion: IRMA is one of the few remaining intergovernmental risk pools with a full representative Board of Directors in which each member has an equal vote. We continue to support this governing method as all members participating enhances the knowledge level and ownership value of our 70 members. However, during the current times where all members have limited available time for participation, a review of the participation criteria is a prudent and valuable process. Board of Directors meeting participation remains the highest weighted because of the action and voting items presented quarterly, which directly impact pool administration.

To provide a basis for any change to the Membership Participation Policy, staff surveyed many pools eliciting their practices with regard to participation. The majority of pools advised that although participation was tracked in some manner, there were no negative or positive financial implications. However, many were interested in possibly exploring this option in the future. Those which did have financial ties to member participation tracked not only committee

attendance, but also loss control tactics such as evaluation of safety policies, implementation of risk management advice and pool-sponsored training. IRMA tracks loss prevention and risk management performance through our annual member ranking as part of the State of the Membership Report which incorporates IMAP scoring, Claims to Contribution ratio and member losses to IRMA target. The latter two impact a member's annual contribution. We have also prepared the attached updated Claims to Contribution vs. Participation Report, which demonstrates some correlation between participating in the Pool and overall member claims to contribution performance for 2012-2016. The report confirms that there is some level of correlation between participation and members' claims performance. The top 15 members with the lowest claims to contribution ratio has an average participation percentage of 72% with 9 of 15 at 93% or greater. The 15 members with the lowest claims to contribution ratio had an average participation percentage of 53% with only 5 having a participation percentage of 69% or greater.

We have identified several revisions to the current IRMA Participation Program for consideration by the MRC. Since the Board of Directors is the one meeting where all IRMA members can together discuss, debate and ultimately decide major issues of the pool including its long-term direction, we are recommending the maximum participation percentage be increased for 50% to 60% for Board of Directors meetings for Options 1 & 2 presented below. We are also recommending IRMA regional & web-based training participation be added back into the program to support the Pool's training platform to encourage continued program expansion. These recommendations are based on the importance of governance, required expertise, time commitments and participation in training to reduce member and overall pool losses to lower the overall cost of risk.

For your review, IRMA is proposing one of the following options be enacted for the Membership Participation Policy in 2018. It is IRMA's goal to provide options that will not be cumbersome upon the members or difficult to confirm compliance. We are recommending that all the proposed options include Board Recognition and a plaque for all members with a participation percentage of 90% or greater:

Option 1

- Board Meetings = 50% to 60%
- Standing Committee = 25% to 20%
- Steering/Adhoc Committee = 20% to 10%
- Standing Committee Chairs/Steering Committee Officers = Remain at 5%
- Add IRMA Sponsored Regional Training (ST, CCWS, Summit, Forum) & Web-based Training Participation = 5% (Attending two programs would receive full credit)

Option 2

Combine non-board committee attendance, increase Standing & Steering Committee Chairs & Officers credit and increase credit for IRMA Training.

- Board Meeting = 50% to 60%
- Combine Standing, Steering & Adhoc Committees= 25% to 20%
- Standing/Steering Committee Chairs/Officers= increased to 10%
- IRMA Sponsored Regional Training (ST, CCWS, Summit, Forum) & Web-based Training Participation = 10%

Option 3

Adjust the current participation report percentages and include training and use of grant programs.

- Board Meeting = 50% (Board Percentage Unchanged)
- Standing Committees = 20%
- Steering Committees/Adhoc Committees = 10%
- IRMA Sponsored Regional & Web-based Trainings = 10%
- Standing/Steering Committee Chairs & Officers = 5%
- Use of IRMA Grants = 5%

Option 4 – No changes to current program.

Recommendation: Select and approve one of above staff recommended revisions to the Membership Participation Policy as presented for implementation

Membership Relations Committee Recommendation (11/8/17): The MRC approved Option #4 for no changes to the current participation report percentages and added that a member must attend at least 2 Board meetings to be eligible to receive IRMA grant funding.

DLT/ds

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MEMORANDUM

TO: Membership Relations Committee

FROM: Dan LeTourneau, Director of Risk Management Services

DATE: October 24, 2018

RE: Workers' Compensation Focus Program – 3rd Quarter 2018 Reports

Purpose: The purpose of this memorandum is to provide the MRC with a review of the 3rd Quarter, 2018 Workers' Compensation Focus Program member progress.

Background: The IRMA Workers' Compensation Focus Program 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 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 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 will join the Workers' Compensation Focus Program as of January 1, 2019. Part I of the individual member quarterly reports outline claim frequency and severity year to date as compared to their IRMA member targets for workers' compensation. Part II provides a summary of risk management/safety activities completed during the most recent quarter.

Below is a brief 3rd Quarter, 2018 overview for each of the WC Focus Program participants:

Village of Brookfield

The Village of Brookfield completed the 3rd quarter of 2018 with a year to date workers' compensation claim frequency of 15 versus their annual IRMA target of 11, resulting in an annual variance of 182% of target. Their claim frequency is down to 3 new claims for the 3rd quarter as compared to 6 for each of the preceding quarters. The Village's 3rd quarter workers' compensation claims experience increased to \$94,081 resulting in a year to date loss experience of \$422,602, which continues to track well above their annual IRMA workers' compensation target of \$181,225 at 311% on an annualized basis. There was a total of 3 additional workers' compensation claims in the 3rd quarter, one each in Police, Fire and Public Works. A police officer fall while chasing a fleeing suspect resulted in a larger lost time claim with total incurred of \$88,281 in July. The two other claims were small medical only.

The Public Works Department continues to conduct monthly Safety Committee/Accident Review Board meetings, weekly safety talks and daily safety tips. Their new Public Works Director recently resigned, and the Department has an interim Director during their search process. The Department has also eliminated the concrete garbage can from the Train Station as it was the cause of a strain injury while moving the can during the 3rd quarter. Public Works conducted Silica Exposure and Brush Chipper training during the 3rd quarter. Additional flagger training is scheduled for the 4th quarter. The Fire Department continues to work on completion of their new Lexipol manual which is expected to be completed by year-end. They have developed a new SOG for loading the hose box onto the apparatus with a requirement for a three-employee lift.

The SOG and subsequent training resulted from the strain injury arising from replacing the hose box without adequate assistance. They have also conducted training on the proper technique for loading fire suppressant foam on the vehicle to reduce the risk of musculoskeletal injuries. During the 4th quarter the Fire Department will be purchasing high visibility vests for roadside safety and are working on developing a daily stretching program. The Police Department continues with the development of their new Lexipol manual which is on track to be completed by year-end. The Department used their new Foot Pursuit Policy form Lexipol to counsel their officer involved in a preventable workers' compensation accident from a foot pursuit in their park. The Department continues to provide verbal de-escalation trainings and sent their CIT Officer to the National Conference on Mental Health for additional training. Their newly implemented limited pursuit policy prevented two recent potential vehicle pursuits. The Department will be sending an officer to a defensive tactics - train the trainer program in the 4th quarter along with conducting Rescue Task Force Training with their Fire Department and providing re-training on use of Tasers. The new Village Manager, Tim Wiberg, attended the meeting and presented a strong position on the immediate need to reduce workers' compensation losses in all departments. The Village will provide summary loss data to all employees each quarter to further emphasize the impact of workers' compensation losses on the Village's finances from their adverse loss experience debit.

Attached for review is Part I and Part II of the WC Focus Program Quarterly Report, which provides additional details of the Village of Brookfield's risk management activities completed during the 3rd quarter and planned for the 4th quarter of 2018.

Village of Carol Stream

The Village of Carol Stream completed the 3rd quarter of 2018 with a year to date workers' compensation frequency of 16 as compared to their annual IRMA target of 15, resulting in an annualized variance of 142% of target. The Village's total year to date workers' compensation experience as of the 3rd quarter is \$216,139 which is tracking just over their IRMA annual severity target of \$275,114, resulting in an annualized variance of target of 105%. The Village's claim frequency increased in the 3rd quarter to 8 new workers' compensation claims. Six of the new claims were small medical only injuries. The Police Department did incur 2 additional lost time claims from a police squad being rear-ended while stopped.

We have just been informed that the Carol Stream Police Department has agreed to meet with Axon (formerly Taser International) to begin the process of evaluating equipping officers with Tasers. This process will begin with the two-year study offered by Axon which would include equipment, training and an academic researcher to complete a formal effectiveness study. We anticipate this will significantly reduce the frequency of officers injured from combative encounters which has been the cause of numerous workers' compensation claims in the police department. Police Department continues their roll call safety component, use of Police One video training, defensive tactics training and 40-hour Crisis Intervention Training for officers. The Department also adheres to full officer participation in the Police Law Institute online training program. Officers also received harassment, blood borne pathogens and slips, trips & falls and traffic stop training for each shift. The Public Works Department continued to conduct many additional safety training programs during the 3rd quarter including: Slips, Trips & Falls, Brush Chipping-Train the Trainer, accident investigation, welding safety, and training on their new UTV Lift Equipment. The Department conducted additional JSA updates with the assistance of the IRMA Summer Safety Intern.

The Public Works Department is planning or has completed the following 4th quarter training: electrical safety, snowplow driver simulation, use of their new MSDS Online system, hearing protection, and development of an in-house video training program on equipment operator/laborers hand signals. The Department also plans Review, revise and re-implement their Behavior Based Safety Program in the 4th quarter along with continuing their safety policy/JSA reviews.

Attached for review is Part I and Part II of the WC Focus Program Quarterly Report, which provides additional details of the Village's risk management activities completed during the 3rd quarter and planned for the 4th quarter of 2018.

Village of Roselle

The Village of Roselle completed the 3rd Quarter of 2018 with 2 additional workers' compensation claims for a total of 8 year to date versus their target of 10, tracking at 107% of target on an annualized basis. The Village's overall 3rd quarter workers' compensation claim experience was only \$5,575. Overall, the Village's annual claims experience of just \$14,907 continues to track well below their IRMA severity target of \$194,765, resulting in very favorable annualized variance of target of only 10% at the completion of the 3rd quarter. Seven of the Village's eight overall 2018 workers compensation losses are small medical only claims. The Police Department did experience a small lost time resulting from defense tactics training knee injury at the SALEA Police Academy. The Fire Department experienced two additional very small medical only claims during the 3rd quarter.

The Fire Department continues with the process of developing their Lexipol operational best practices policy & procedure manual which is targeted for completion by year-end. They are also completing their physical fitness evaluations and providing additional mental health training. During the 4th quarter the Department will begin an Apparatus Equipment Re-configuration process to improve ergonomics to reduce potential for employee injuries. They will also be inspecting all facilities and grounds to reduce the risk of employee trip/fall injuries. The Police Department is finalizing their new Annual Physical Fitness Evaluation Program process and reported they will implement a mandatory annual program with required compliance testing for all sworn officers. They are completing the final details of the program with their union. The Department will have all sworn officers provided with the 40-hour CIT training by year-end. They have recently been awarded grant funding from the Bloomingdale Township Mental Health Board and will have a mental health counselor on staff as of January 1, 2019 to assist with Department mental health encounters in the field. The Police Department will also be conducting both Defensive Tactics and Taser training in the 4th quarter to reduce the likelihood of officer injuries from combative encounters. The Public Works Department has transitioned from their contracted Public Works Director to a new full-time Director during the 3rd quarter. The Department now has new leadership, a recently completed Comprehensive Operations Manual and a newly developed Employee Orientation Manual used to train new employees. They are conducting quarterly departmental safety committee meetings and updating their JSA program by reviewing/revising four JSA's per quarter. Their newly developed safety training schedule has been implemented.

Memorandum to Membership Relations Committee

October 24, 2018

Re: Workers' Compensation Focus Program – 3rd Quarter 2018 Reports

Page 4

Attached for review is Part I and Part II of the WC Focus Program Quarterly Report, which provides additional details of the Village's risk management activities completed during the 3rd quarter and planned for the 4th quarter of 2018.

Recommendations: Review and accept the 3rd Quarter 2018 Workers' Compensation Focus Program Reports from the participating members. The Village of Morton Grove continues to work with IRMA staff in preparation for formally joining the Program as of January 1, 2019.

Membership Relations Committee Recommendations (11/7/18): The MRC reviewed and accepted the 3rd Quarter Workers' Compensation Focus Program Reports as presented including preparing the Village of Morton Grove to formally join the program as of January 1, 2019.

DLT/II

Attachments: Part I & Part II WC Focus Reports-Brookfield
Part I & Part II WC Focus Reports- Carol Stream
Part I & Part II WC Focus Reports-Roselle

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MEMORANDUM

TO: Training & Risk Management Committee

FROM: Jennifer Swahlstedt, Risk Management & Training Manager

DATE: October 29, 2018

RE: 2018 Education Summit

Purpose: To debrief and review the results of the 2018 Education Summit.

Background/Discussion: IRMA hosted the 5th Annual Education Summit on October 17, 2018, at Northern Illinois University Naperville Campus. The program was a half-day workshop featuring member panels addressing common issues affecting members within the pool.

Quick summary:

Session		Members Registered	Evaluation Rating
9:15 a.m. – 10:30 a.m.	10:45 a.m. – 12:00 p.m.		
Legal Update		66	3.9
Early Intervention Program		36	3.7
Roadside Dangers		21	3.9
IRMA Financial Basics		21	3.9
	IRMA Reports	21	3.9
	WC & Employment	43	3.7
	Internal Investigations	54	3.9
	IRMA Finances Advanced	19	3.7
Averages		35	3.825 / 4.0

Final attendance number was 153 which included walk-in registrants. Of the pre-registered attendees, only seven (7) were no-shows. This was a significant improvement from 2017 wherein we had 21 no-shows. The decline can be attributed to the newly instituted \$25 No Show fee.

Member panels and case studies were commonly listed as the strengths of each session. However, in several sessions, particularly the IRMA Finances Advanced, suffered from technical issues with microphones. Additional protocol will be put into place to advert technical issues next year.

Staff has identified additional considerations to be discussed in planning next year’s education summit, including:

- Question submission via index cards
 - Allows staff to manage Q/A session and to provide follow up on questions not addressed due to time constraints
 - Attendees may feel more comfortable to pose questions

- Highlight Membership Discounts by allowing vendors tables in lobby
 - Previously this was determined not necessary, however in the past several years IRMA has expanded the program to include equipment and software to help manage risk
 - Increases membership awareness of IRMA services / “perks”

- Member Appreciation Table
 - To include raffles, trivia or drawings for prizes
 - Builds relationships between members and IRMA staff

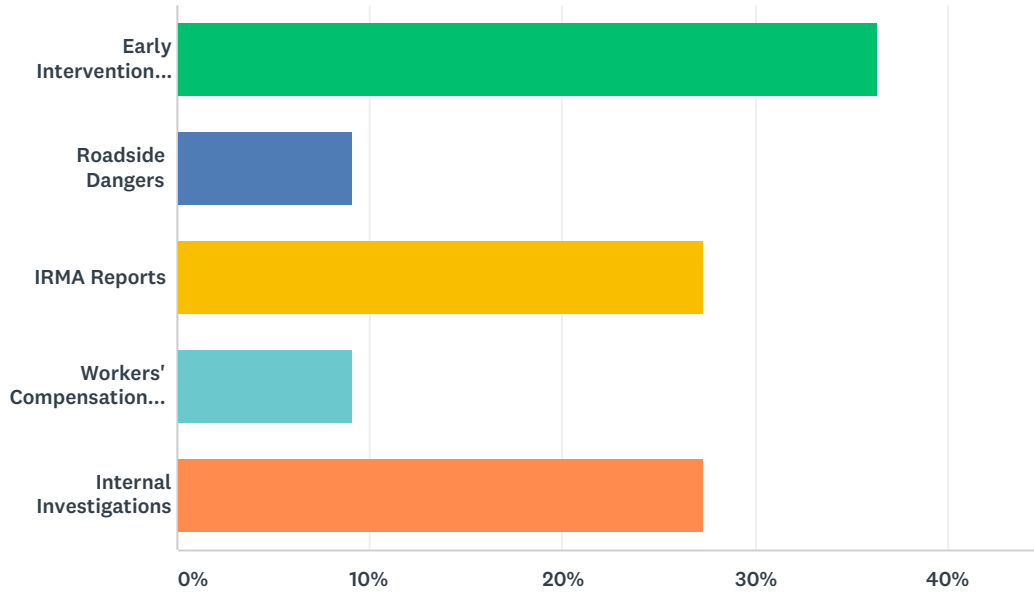
Recommendation: Discuss, evaluate and provide feedback regarding the 2018 Education Summit and future events.

Attachments: Evaluation Spreadsheets
 Member Panel Survey Results

Training & Risk Management Committee (11/14/18): TRMC reviewed the evaluation results and agreed that member panels were a large success to the program. DeFeo & Messino attended, commenting on how useful the Legal Update session was and encourages consideration for this to be a “keynote” in future as all members would benefit. TRMC concurs with staff recommendation to encourage written question submission during breakout sessions. TRMC recommended utilizing vendors as part of presentations if applicable and to have a select number of preferred pricing vendors in the lobby. In an effort to make it competitive for vendors, consideration should be to select only those who provide a larger discount to the membership. Due to various policies on gift bans, TRMC was not interested in a member appreciation table.

Q1 I participated as a panelist on (select all that apply)

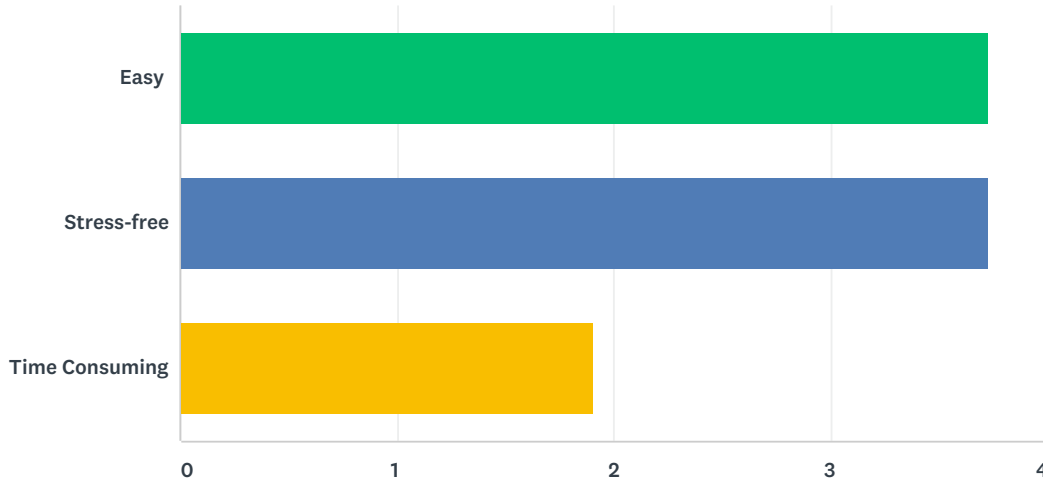
Answered: 11 Skipped: 0



ANSWER CHOICES	RESPONSES
Early Intervention Program	36.36% 4
Roadside Dangers	9.09% 1
IRMA Reports	27.27% 3
Workers' Compensation & Employment	9.09% 1
Internal Investigations	27.27% 3
Total Respondents: 11	

Q2 Preparing for my session was:

Answered: 11 Skipped: 0

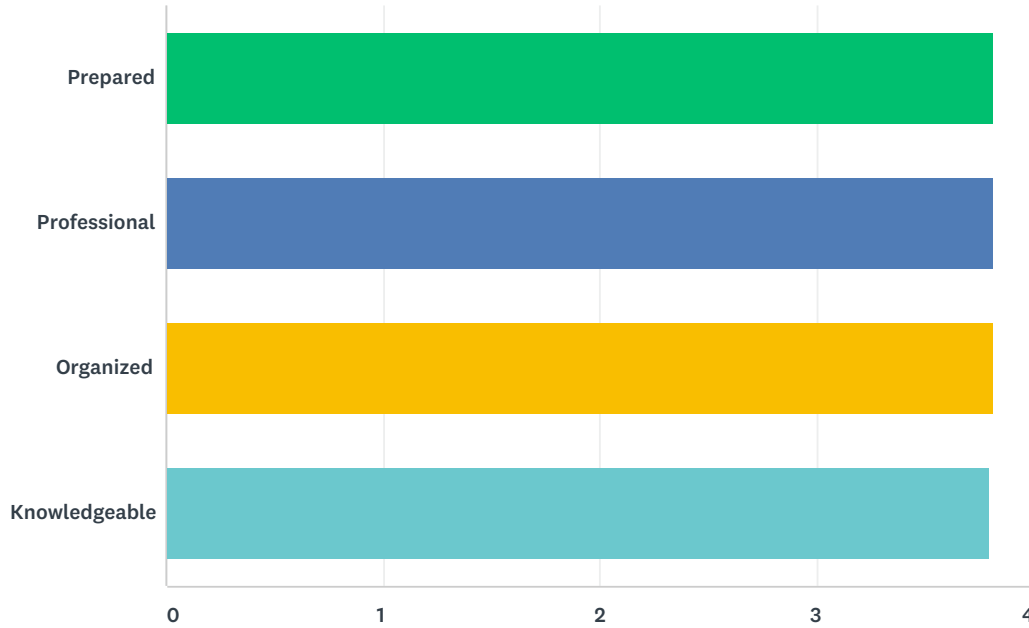


	STRONGLY DISAGREE	DISAGREE	AGREE	STRONGLY AGREE	TOTAL	WEIGHTED AVERAGE
Easy	0.00% 0	0.00% 0	27.27% 3	72.73% 8	11	3.73
Stress-free	0.00% 0	0.00% 0	27.27% 3	72.73% 8	11	3.73
Time Consuming	27.27% 3	54.55% 6	18.18% 2	0.00% 0	11	1.91

#	PLEASE ADD ANY ADDITIONAL COMMENTS.	DATE
1	I hope that attendees found ti informative.	11/1/2018 4:01 PM
2		11/1/2018 7:52 AM
3	Frankie and Jennifer were extremely helpful with their guidance on our role in the discussion and they should get credit for doing most of the work.	11/1/2018 7:06 AM

Q3 In my opinion, the staff was:

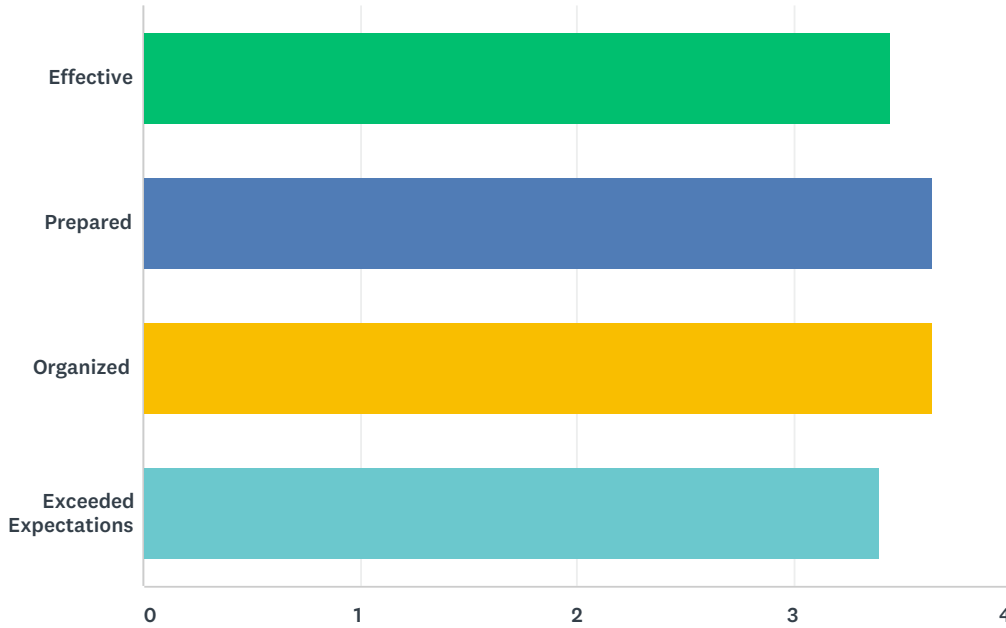
Answered: 11 Skipped: 0



	STRONGLY DISAGREE	DISAGREE	AGREE	STRONGLY AGREE	TOTAL	WEIGHTED AVERAGE
Prepared	0.00% 0	0.00% 0	18.18% 2	81.82% 9	11	3.82
Professional	0.00% 0	0.00% 0	18.18% 2	81.82% 9	11	3.82
Organized	0.00% 0	0.00% 0	18.18% 2	81.82% 9	11	3.82
Knowledgeable	0.00% 0	0.00% 0	20.00% 2	80.00% 8	10	3.80

Q4 I felt my session was:

Answered: 11 Skipped: 0

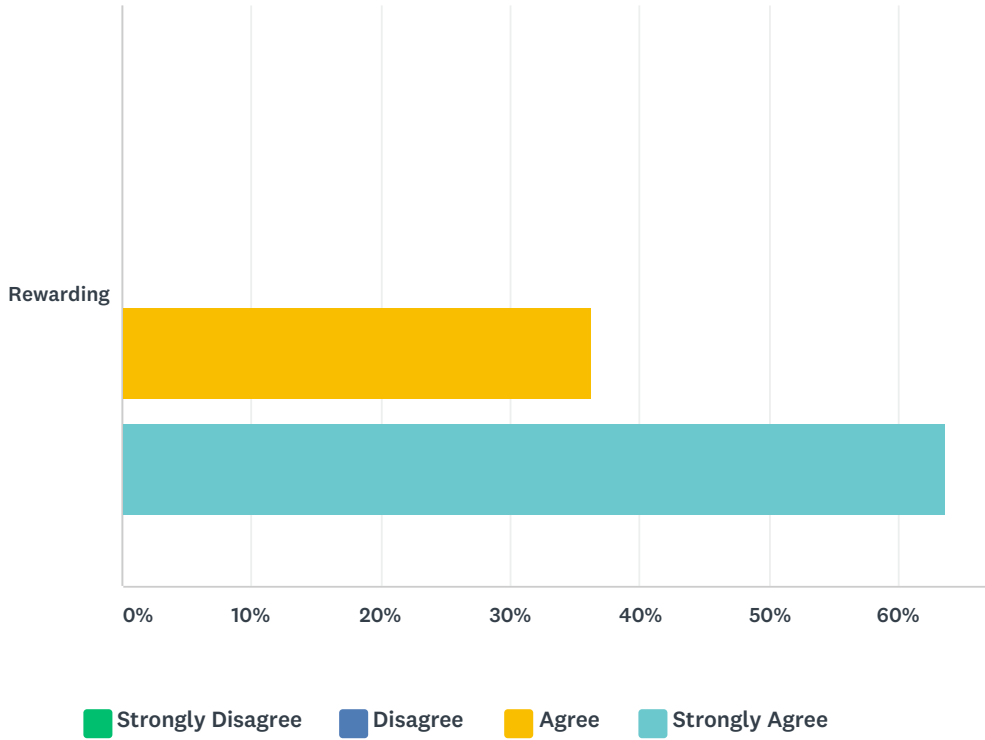


	STRONGLY DISAGREE	DISAGREE	AGREE	STRONGLY AGREE	TOTAL	WEIGHTED AVERAGE
Effective	0.00% 0	0.00% 0	54.55% 6	45.45% 5	11	3.45
Prepared	0.00% 0	0.00% 0	36.36% 4	63.64% 7	11	3.64
Organized	0.00% 0	0.00% 0	36.36% 4	63.64% 7	11	3.64
Exceeded Expectations	0.00% 0	0.00% 0	60.00% 6	40.00% 4	10	3.40

#	PLEASE ADD ANY ADDITIONAL COMMENTS.	DATE
1	I have talked with a number of people since the presentation and they said they got a lot out of it.	11/1/2018 4:15 PM
2	I am thinking you want a self evaluation here. :) I thought the other presenters did a great job. I liked Jen's overview, too. I did prepare quite a bit due to the nature of the case study. I wanted to share why the program helped the situation, but yet at times be careful because the issue can still be sensitive one (legally). I hope it went well.	11/1/2018 4:01 PM
3	I was a fill in on the Road Side Safety session, so didn't feel I was as prepared as I would have liked. The other presenters did a fantastic job!	11/1/2018 8:43 AM

Q5 Overall, my experience as a panelist was:

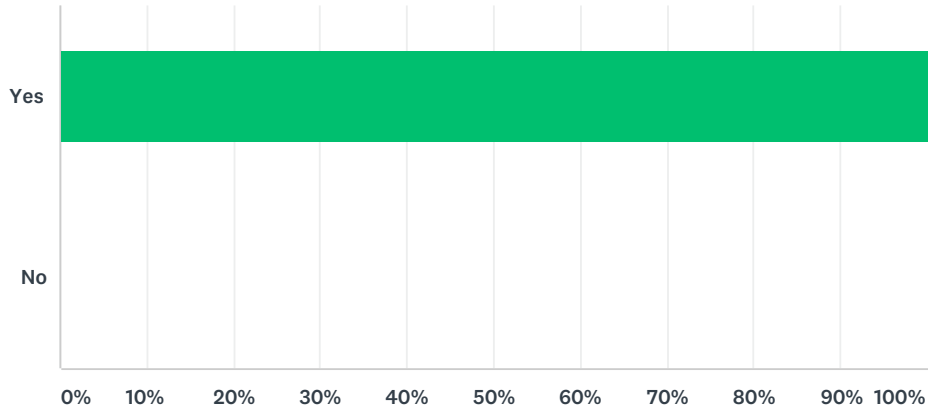
Answered: 11 Skipped: 0



	STRONGLY DISAGREE	DISAGREE	AGREE	STRONGLY AGREE	TOTAL
Rewarding	0.00% 0	0.00% 0	36.36% 4	63.64% 7	11

Q6 I would recommend being a panelist to other members.

Answered: 11 Skipped: 0



ANSWER CHOICES	RESPONSES	
Yes	100.00%	11
No	0.00%	0
TOTAL		11

#	PLEASE EXPLAIN.	DATE
1	As a member, it's extremely helpful to hear from other members who are dealing with or have dealt with the subject matter.	11/1/2018 7:06 AM

Q7 Please take a moment to provide additional comments or recommendations regarding your experience.

Answered: 3 Skipped: 8

#	RESPONSES	DATE
1	I thought the experience was good. We could have used more time and maybe provided information on how to handle internal investigations.	11/12/2018 2:44 PM
2	I would perhaps suggest a very basic outline questionnaire to guide the each panelist's presentation.	11/1/2018 4:01 PM
3	I think we good sidelined with a lot of entity specific questions so my only feedback would be to figure out a way to handle those in the future.....Thanks!	11/1/2018 9:38 AM



MEMORANDUM

TO: Training & Risk Management Committee

FROM: Jennifer Swahlstedt, Risk Management & Training Manager

DATE: October 31, 2018

RE: On-Site Training Survey

Purpose: To seek input from the TRMC of the on-site training survey that will be sent to the membership.

Background/Discussion: Periodically, IRMA surveys the membership to determine if IRMA's training and risk management offerings are meeting member needs. The purpose of this survey is two-fold: 1) obtain more information about specific member practices and goals to tailor future training initiatives and focus risk management intervention; 2) develop internal member profiles for risk management handling for staff.

The survey will be sent to all Delegates, Alternates and Department Heads. It includes specific questions for each department to drill down detailed information on daily operations which will assist staff in coordinating training and risk management programs. Additionally, feedback is requested from each department regarding future training topics.

Recommendation: Provide input regarding the survey. Survey results will be shared at the next meeting on Thursday, January 31, 2019.

Training & Risk Management Committee (11/14/18): TRMC concurred with staff recommendations to solicit the membership for feedback regarding on-site training programs. Recommends setting deadlines and follow up protocol to encourage member participation.

Attachment: Survey

1. Introduction

Each year, IRMA members receive onsite training and loss control evaluations. Periodically, we survey the membership to ensure our programs continue to meet your needs. Please take a moment to provide additional insight on IRMA's risk management and training programs.

1. Member Name (Select from the drop down box)

2. Select your department

2019 Onsite Training Survey

2. Administration

* 1. Please select 3 trainings that you would like to have facilitated in 2019.

- Accident Investigation
- Avoiding Summer Hazards
- Back Safety/Ergonomics
- Behavior Based Safety
- Bloodborne Pathogen Refresher Program
- Certificate of Insurance
- Contractual Risk Transfer
- Coaching the Maintenance Vehicle Operator
- Confined Space Refresher
- Effective Safety Committees
- Electrical Safety
- Fall Protection
- Flagger Training
- Forklift Safety
- Golf Cart/Utility Vehicle Safety Training
- Harassment in the Workplace
- Hearing Conservation Program for Supervisors
- Hearing Protection: An Earful of Sound Advice
- Key Elements for Effective Root Cause Analysis & Problem Solving
- Ladder Safety
- Lockout/Tagout
- Office Ergonomics
- Playground Inspection
- Public Officials Liability
- Respiratory Protection Overview Program
- Safe Vehicle Driving with a Trrailer

- Self-Inspection Techniques
- Slips, Trips, and Falls
- Snow Plow Operator Safety
- Supervisor Safety Training
- Trench Collapse -Refresher
- Vehicle Backing
- Work Zone Safety

2. Please identify your risk management and training goals. (check all that apply)

- Decrease Claims (GL & WC)
- Provide Regulatory Training
- Provide Technical Training
- Increase Safety Awareness
- Improve Safety Culture
- Other (please specify)

3. We actively implement the following programs internally (check all that apply)

- Accident & Root Cause Investigations
- Behavior Observation Program/Behavior Based Safety
- Safety Committees
- Accident Review Boards
- Roll-Call Training or Toolbox Talks
- Wellness Initiatives
- Behavioral/Mental Health Surveys
- Other (please specify)

4. We own and operate utility vehicles or golf carts.

Yes

No

If you answered Yes, please include Make/Model and primary use of the vehicle:

5. We are responsible for conducting monthly facility inspections in:

Our Department Facilities

All Facilities

No Facilities

If you answered No, please list who your inspections are handled by.

6. Is there an onsite training topic that you would like to see offered?

Yes

No

If yes, please list the topic below.

3. Public Works

* 1. Please select 3 trainings that you would like to have facilitated in 2019.

- Accident Investigation
- Avoiding Summer Hazards
- Back Safety/Ergonomics
- Behavior Based Safety
- Bloodborne Pathogen Refresher Program
- Certificate of Insurance
- Contractual Risk Transfer
- Coaching the Maintenance Vehicle Operator
- Confined Space Refresher
- Effective Safety Committees
- Electrical Safety
- Fall Protection
- Flagger Training
- Forklift Safety
- Golf Cart/Utility Vehicle Safety Training
- Harassment in the Workplace
- Hearing Conservation Program for Supervisors
- Hearing Protection: An Earful of Sound Advice
- Key Elements for Effective Root Cause Analysis & Problem Solving
- Ladder Safety
- Lockout/Tagout
- Office Ergonomics
- Playground Inspection
- Public Officials Liability
- Respiratory Protection Overview Program
- Safe Vehicle Driving with a Trrailer

- Self-Inspection Techniques
- Slips, Trips, and Falls
- Snow Plow Operator Safety
- Supervisor Safety Training
- Trench Collapse -Refresher
- Vehicle Backing
- Work Zone Safety

2. Please identify your risk management and training goals. (check all that apply)

- Decrease Claims (GL & WC)
- Provide Regulatory Training
- Provide Technical Training
- Increase Safety Awareness
- Improve Safety Culture
- Other (please specify)

3. We actively implement the following programs internally. (check all that apply)

- Accident & Root Cause Investigations
- Behavior Observation Program/Behavior Based Safety
- Safety Committees
- Accident Review Boards
- Roll-Call Training or Toolbox Talks
- Wellness Initiatives
- Behavioral/Mental Health Surveys
- Other (please specify)

4. We perform the following. (check all that apply)

- Traffic Control/Flagger
- Trench/Shoring
- Confined Space Entry
- Electrical/Lockout/Tagout
- Brush Collection
- Refuse Collection
- Tree Trimming
- Snow Plowing
- Playground Inspections
- Welding/Hot Work
- Water Treatment Plant Operations
- Waste Water Treatment Plant Operations
- Sidewalk Repairs

Other (please specify)

5. We operate this type of equipment. (check all that apply)

- Forklifts
- Utility Vehicles/Golf Carts
- Bucket Trucks/Aerial Lift
- Trailers
- Riding Mowers
- Vac Truck
- Street Sweeper
- Other (please specify)

6. Our average number of seasonal staff is:

7. We currently have _____ Safety Trainers.

- 0
- 1-3
- 4+

8. We currently have _____ Certified Flaggers.

- 0
- 1-3
- 4+

9. We currently have a hearing conservation program in place.

- Yes
- No

If you answered Yes, please list date initiated:

10. We currently have a respiratory protection program in place.

- Yes
- No

If you answered Yes, please include the date it was initiated.

11. We perform lockout/tagout procedure.

- Yes
- No

If you answered No, please list who this is handled by.

12. We are responsible for conducting monthly facility inspections in:

- Our Department Facilities
- All Facilities
- No Facilities

If you answered No, please list who your inspections are handled by.

13. Is there an onsite training topic that you would like to see offered?

- Yes
- No

If yes, please list the topic below.

4. Fire

* 1. Please select 3 trainings that you would like to have facilitated in 2019.

- Accident Investigation
- Avoiding Summer Hazards
- Back Safety/Ergonomics
- Behavior Based Safety
- Bloodborne Pathogen Refresher Program
- Certificate of Insurance
- Contractual Risk Transfer
- Coaching the Maintenance Vehicle Operator
- Confined Space Refresher
- Effective Safety Committees
- Electrical Safety
- Fall Protection
- Flagger Training
- Forklift Safety
- Golf Cart/Utility Vehicle Safety Training
- Harassment in the Workplace
- Hearing Conservation Program for Supervisors
- Hearing Protection: An Earful of Sound Advice
- Key Elements for Effective Root Cause Analysis & Problem Solving
- Ladder Safety
- Lockout/Tagout
- Office Ergonomics
- Playground Inspection
- Public Officials Liability
- Respiratory Protection Overview Program
- Safe Vehicle Driving with a Trrailer

- Self-Inspection Techniques
- Slips, Trips, and Falls
- Snow Plow Operator Safety
- Supervisor Safety Training
- Trench Collapse -Refresher
- Vehicle Backing
- Work Zone Safety

2. Please identify your risk management and training goals. (check all that apply)

- Decrease Claims (GL & WC)
- Provide Regulatory Training
- Provide Technical Training
- Increase Safety Awareness
- Improve Safety Culture
- Other (please specify)

3. We actively implement the following programs internally. (check all that apply)

- Accident & Root Cause Investigations
- Behavior Observation Program/Behavior Based Safety
- Safety Committees
- Accident Review Boards
- Roll-Call Training or Toolbox Talks
- Wellness Initiatives
- Behavioral/Mental Health Surveys
- Other (please specify)

4. We own and operate utility vehicles or golf carts.

- Yes
- No

If you answered Yes, please include Make/Model and primary use of the vehicle:

5. We own and operate a training tower or other training locations.

- Yes
- No

If you answered Yes, please list the types of training locations.

6. We currently have a hearing conservation program in place.

- Yes
- No

If you answered Yes, please list date initiated:

7. We perform lockout/tagout procedure.

- Yes
- No

If you answered No, please list who this is handled by.

8. We currently have a respiratory protection program in place.

- Yes
- No

If you answered Yes, please include the date it was initiated.

9. We currently have _____ training officers.

- 0
- 1-3
- 4+

10. Our health and wellness program includes (check all that apply)

- Voluntary Fit Testing
- On-site Exercise Facility
- Exercise on Shift
- Nothing at this time
- Other (please specify)

11. We are responsible for conducting monthly facility inspections in:

- Our Department Facilities
- All Facilities
- No Facilities

If you answered No, please list who your inspections are handled by.

12. Is there an onsite training topic that you would like to see offered?

- Yes
- No

If yes, please list the topic below.

5. Parks and Recreation

*** 1. Please select 3 trainings that you would like to have facilitated in 2019.**

- Accident Investigation
- Avoiding Summer Hazards
- Back Safety/Ergonomics
- Behavior Based Safety
- Bloodborne Pathogen Refresher Program
- Certificate of Insurance
- Contractual Risk Transfer
- Coaching the Maintenance Vehicle Operator
- Confined Space Refresher
- Effective Safety Committees
- Electrical Safety
- Fall Protection
- Flagger Training
- Forklift Safety
- Golf Cart/Utility Vehicle Safety Training
- Harassment in the Workplace
- Hearing Conservation Program for Supervisors
- Hearing Protection: An Earful of Sound Advice
- Key Elements for Effective Root Cause Analysis & Problem Solving
- Ladder Safety
- Lockout/Tagout
- Office Ergonomics
- Playground Inspection
- Public Officials Liability
- Respiratory Protection Overview Program
- Safe Vehicle Driving with a Trrailer

- Self-Inspection Techniques
- Slips, Trips, and Falls
- Snow Plow Operator Safety
- Supervisor Safety Training
- Trench Collapse -Refresher
- Vehicle Backing
- Work Zone Safety

2. Please identify your risk management and training goals. (check all that apply)

- Decrease Claims (GL & WC)
- Provide Regulatory Training
- Provide Technical Training
- Increase Safety Awareness
- Improve Safety Culture
- Other (please specify)

3. We actively implement the following programs internally. (check all that apply)

- Accident & Root Cause Investigations
- Behavior Observation Program/Behavior Based Safety
- Safety Committees
- Accident Review Boards
- Roll-Call Training or Toolbox Talks
- Wellness Initiatives
- Behavioral/Mental Health Surveys
- Other (please specify)

4. We own and operate utility vehicles or golf carts.

- Yes
- No

If you answered Yes, please include Make/Model and primary use of the vehicle:

5. We currently maintain: (check all that apply)

- Parks
- Camps
- Playgrounds
- Golf Courses
- Pools
- Fitness Centers
- Community Centers
- Other recreation facilities:

6. Our offered programs include:

- Camps
- Special Events
- Before/After School Care
- Fitness/Group
- Other (please specify)

7. Our average number of seasonal staff is:

8. We currently have ____ Certified Playground Safety Inspector(s)

- 0
- 1-3
- 4+

9. We are responsible for conducting monthly facility inspections in:

- Our Department Facilities
- All Facilities
- No Facilities

If you answered No, please list who your inspections are handled by.

10. Is there an onsite training topic that you would like to see offered?

- Yes
- No

If yes, please list the topic below.

2019 Onsite Training Survey

6. Police

* 1. Please select 3 trainings that you would like to have facilitated in 2019.

- Accident Investigation
- Avoiding Summer Hazards
- Back Safety/Ergonomics
- Behavior Based Safety
- Bloodborne Pathogen Refresher Program
- Certificate of Insurance
- Contractual Risk Transfer
- Coaching the Maintenance Vehicle Operator
- Confined Space Refresher
- Effective Safety Committees
- Electrical Safety
- Fall Protection
- Flagger Training
- Forklift Safety
- Golf Cart/Utility Vehicle Safety Training
- Harassment in the Workplace
- Hearing Conservation Program for Supervisors
- Hearing Protection: An Earful of Sound Advice
- Key Elements for Effective Root Cause Analysis & Problem Solving
- Ladder Safety
- Lockout/Tagout
- Office Ergonomics
- Playground Inspection
- Public Officials Liability
- Respiratory Protection Overview Program
- Safe Vehicle Driving with a Trrailer

- Self-Inspection Techniques
- Slips, Trips, and Falls
- Snow Plow Operator Safety
- Supervisor Safety Training
- Trench Collapse -Refresher
- Vehicle Backing
- Work Zone Safety

2. Please identify your risk management and training goals. (check all that apply)

- Decrease Claims (GL & WC)
- Provide Regulatory Training
- Provide Technical Training
- Increase Safety Awareness
- Improve Safety Culture
- Other (please specify)

3. We actively implement the following programs internally. (check all that apply)

- Accident & Root Cause Investigations
- Behavior Observation Program/Behavior Based Safety
- Safety Committees
- Accident Review Boards
- Roll-Call Training or Toolbox Talks
- Wellness Initiatives
- Behavioral/Mental Health Surveys
- Other (please specify)

4. We own and operate a shooting range.

Yes (Indoor)

No (Indoor)

Yes (Outdoor)

No (Outdoor)

If you answered Yes, please include the locations.

5. We own and operate utility vehicles or golf carts.

Yes

No

If you answered Yes, please include Make/Model and primary use of the vehicle:

6. We currently have a hearing conservation program in place:

Yes

No

If yes, list date program was initiated:

7. We currently have a respiratory protection program in place.

Yes

No

If you answered Yes, please include the date it was initiated.

8. We currently have _____ training officers.

0

1-3

4+

9. Our health and wellness program includes (check all that apply)

- Voluntary Fit Testing
- On-Site Exercise Facility
- Exercise on Shift
- Nothing at this time
- Other (please specify)

10. We are responsible for conducting monthly facility inspections in:

- Our Department Facilities
- All Facilities
- No Facilities

If you answered No, please list who your inspections are handled by.

11. Is there an onsite training topic that you would like to see offered?

- Yes
- No

If yes, please list the topic below.



MEMORANDUM

TO: Training & Risk Management Committee

FROM: Jennifer Swahlstedt, Risk Management & Training Manager

DATE: October 30, 2018

RE: Grant Administration

Action Requested: Concur with staff's recommendations regarding administration of grant allocations.

Background: IRMA offered seven grants to the membership in 2018 with a budget of over \$200,000. As outlined in the attached memo *2018 Grants – Update*, dated October 12, it shows that nearly half of the budget remains available for grant payments.

Discussion: Below, staff has identified several areas of improvement for the internal processes of grant administration to allow for better allocation of funds and fairness to members.

1. Remove "1/3 Reimbursement" on the following grants:
 - Fire Service Ballistic Protective Equipment Program
 - Lift Assist Equipment Program
 - Work Zone Safety Equipment Program

The above grants were new in 2018 and carry a 1/3 reimbursement as well as a maximum award. Staff believes the maximum award cap is an efficient tool to manage the grants as many of the general equipment purchased is not reaching the maximums. For example, a member applied for the Work Zone Safety Equipment Program with the purchase of new traffic cones. The total invoice amount was under \$300, however due to 1/3 reimbursement that member was awarded less than \$100. Nominal awards may be discouraging members from applying. For these reasons, we are recommending that these grants do not require a match from members, but rather they are regulated only by applicable caps.

2. Expand the following grants to all operating departments:
 - Lift Assist Equipment Program
 - Work Zone Safety Equipment Program

These general equipment grants are useful for all operating departments, not only Public Works. However, the fire service could not apply for patient lifting/handling devices under the Lift Assist Equipment Program as they have their own grant specifically tailored to patient handling equipment (Fire Service Equipment Program). For this reason, we are recommending that these grants be made available to all operating departments.

3. Expand Injury Prevention Program to include wellness (physical or mental) programs:

Currently, this program includes only three options for injury prevention: Backsafe training by Future Industrial Technologies, Illinois Bone & Joint Institute and Accelerated Rehab Post-Offer testing. Feedback from the Steering Committees has been to allow operating departments to submit for other wellness programs under this grant, such as fitness or mental health services. By doing so, staff will be able to track various programs and share results with the membership. Any submitted programs will need to be reviewed by staff, and in some instances Steering Committee Officers, to determine eligibility for the grant. This expansion should not be an undue hardship on staff.

4. Establish Tier II Applications on all grants:

Currently all grants, except the Fire Service Equipment Program, allow for one application per department during the budget cycle. By establishing Tier II guidelines, members can apply more than one time during the grant cycle and be awarded after Tier I applications have been satisfied with the available funds at the end of the budget cycle.

5. Authorize full expenditure of grant budget across all grant programs:

IRMA has greatly enhanced grant programs over the past few years. The grant programs are intended to provide incentives for our members to invest in safety equipment purchases in order to reduce losses, benefiting the pool overall. It's in the best interest of IRMA that our grant funds are exhausted annually. For this reason, staff requests authorization to exhaust all grant funds annually, regardless of specific line item appropriation for grant programs. This full expenditure would occur 60 days prior to the end of the year. This is permissible under the IRMA budget policy.

Recommendation: Approve staff recommendations regarding the administration of the grant allocations as described above.

Training & Risk Management Committee (11/14/18): DeFeo expressed concerns about removing the 1/3 reimbursement from the grants as it would encourage members to reach maximums. TRMC discussed further and determined there is no concern about members receiving maximum awards as the intent is to assist members in obtaining equipment to reduce losses, bringing down the exposure of the entire pool. The Ballistic Protective Equipment (BPE) Program was recommended to be expanded to all public safety departments. TRMC also recommended the submission of an application should secure the funds for the grant, rather than only after the purchase is actually made. This would encourage members to apply for grants as well as prioritize obtaining the equipment or services if there is a guarantee of payment. Applicants would need to submit a purchase agreement with the grant application to secure funds during the budget cycle. A motion was made by Messino and seconded by Neville to approve the recommended grant administration changes and to include expansion of the BPE Program to all public safety departments.



MEMORANDUM

TO: Fire Chiefs Steering Committee
Parks & Recreation Steering Committee
Police Chiefs Steering Committee
Public Works Steering Committee

FROM: Jennifer Swahlstedt, Risk Management & Training Manager

DATE: October 12, 2018

RE: 2018 Grants - Update

Purpose: To update the committees with the status of the 2018 Grant Programs.

Background/Discussion: In 2018, IRMA offers seven grants to the membership with a budget of over \$200,000. Below is a snapshot* of each opportunity and remaining funding available through December 31, 2018:

Accreditation / Re-Accreditation

(\$3,300 available)

All operating departments. IRMA offers a 50% reimbursement for accreditation and 25% reimbursement for reaccreditation, with a maximum award of \$3,500.

No applications pending.

Lexipol Policy Manual Development Program

(\$0 available)

Fire and Police Departments. IRMA offers 50% reimbursement, with a maximum award of \$4,000, for the *initial* development of a comprehensive policy manual by Lexipol.

Six (6) applications pending. Any unsatisfied grant applications will be moved to the 2019 budget year for remittance.

Injury Prevention Program

(\$8,600 available)

All operating departments. IRMA offers 50% reimbursement, with a maximum award of \$1,700, for conducting Backsafe Program, Illinois Bone & Joint or Accelerated Rehab Post-Offer testing.

No applications pending.

Fire Service Equipment Program

(\$53,000 available)

Fire Departments. IRMA awards 1/3 total cost, up to \$15,000, for purchase of equipment (stair chair, power cot, and power load).

Two (2) Tier I applications are pending. If awarded, budget will be available to allow for Tier II awards. Ten (10) Tier II applications pending. Any unsatisfied grant applications will be moved to the 2019 budget year. This grant is funded through 2019.

Fire Service Ballistic Protective Equipment Program

(\$16,500 available)

Fire Departments. IRMA awards 1/3 total cost, up to \$1,400, for purchase of ballistic equipment (body armor, vests, helmets).

One (1) application pending.

Lift Assist Equipment Program

(\$12,500 available)

Public Works Departments. IRMA awards 1/3 total cost, up to \$1,500, for lifting assistance equipment.

No applications pending.

Work Zone Safety Equipment Program

(\$11,500 available)

Public Works Departments. IRMA awards 1/3 total cost, up to \$2,000, for temporary traffic control and work zone safety equipment.

Two (2) applications pending.

Recommendation: For your information only. If you are interested in applying for a grant, click [here](#); or contact Jennifer Swahlstedt at (708) 236-6365 or jennifers@irmarisk.org for more information.



MEMORANDUM

TO: Training & Risk Management Committee

FROM: Jennifer Swahlstedt, Risk Management & Training Manager

DATE: October 31, 2018

RE: 2019 Training & Risk Management Program Proposal

Action Requested: Concur with staff's recommendations regarding training topics, materials, and grants to offer the membership in 2019, targeted at reducing risk in all departments.

Background: Risk management and training services have been offered to members throughout the years and have provided assistance in building safety programs and shared cost benefits. We are aware our members have budget constraints and to assist in influencing budgetary decision that we know will ultimately be a good investment, some of our programs provide an incentive. Staff has collected internal and national data, analyzed trends and reviewed technological advancements to determine benefits for the pool.

Discussion: Below is a breakdown of proposed 2019 Training and Risk Management Programs. Please see attachments for more detailed programming information.

1. Online Training & Video Library

IRMA offers many online training options which are included with our excess and reinsurance fees or are developed by staff. The following programs have no impact on budget and are recommended to be continued in 2019:

- I. Safety Toolbox
 - Safety Newsletters, BLR & NSC Safety Talks, Tailgate Topics, Police Safety Basics Series
- II. IRMA Online Courses (PDF)
- III. Cyber Risk E-Hub
- IV. Safety Training Source
- V. Safety: Emergency Responder Vehicle Education (S:ERVE)
- VI. My Community Workplace

IRMA offers additional programs at no cost to the membership which have associated fees for implementation. Based on success of these programs, staff recommends the following programs be continued in 2019:

- I. Police Law Institute: Contracted Price 2015-2020 of \$70,400 annually.
- II. Webinars: With staffing levels replenished in 2018, recommend nominal budget available to host webinars in 2019. Recommended Budget: \$500.
- III. Online Video Streaming: Staff recommends continuing online video streaming in 2019 at the same budget amount set in 2018. Recommended Budget: \$3750 for 750 accesses.
- IV. Videography of IRMA Trainings: Staff recommends continuing the filming of IRMA trainings for member access on the website at the same budget amount set in 2018. Recommended Budget: \$6,500.

- V. Work Zone Safety Quick Guides: Developed in 2018, staff recommends an order of 50 to be kept on-site in 2019. Recommended Budget: \$1,875.

Online Training & Video Library Budget Recommendation: \$83,025

2. On-Site Training Programs

IRMA currently offers 34 On-Site Training Programs which are administered by IRMA representatives at member locations. These programs are developed and maintained by staff therefore require no additional budget. However, staff is recommending a small budget for material printing of safety-related posters and stickers to accompany several of the on-site trainings to be left at member locations and used for IRMA marketing/retention efforts. This would include design and production of a digital Safety-First logo, (4) sets 3x3 window sticker designs (2,000 total), and (4) sets of 11x17 breakroom safety posters (500 total).

On-Site Training Program Budget Recommendation: \$2,600

3. 2019 Regional / Special Training Programs

In 2018, IRMA nearly doubled its offerings of regional and special training programs to the membership. These programs are cost-neutral as costs are passed to the attendees of the trainings through registration fees. Staff also partnered with the Park District Risk Management Agency (PDRMA) which increased the offerings for public works and parks/recreation departments in varied geographic locations. Additionally, regional trainings were increased for police and fire departments. Staff recommends continuing its partnership with outside entities and offering more programs to police and fire departments in 2019 to maintain a robust training schedule. Also included in this budget are the Coffee & Conversation Series and the Education Summit.

Regional / Special Training Program Budget Recommendation: \$85,000

4. Grants

IRMA has a rich history of providing grant opportunities to our members aimed at reducing injuries, losses and benefiting the pool overall. In 2018, we enhanced our grant program to include three new grant programs: Fire Service Ballistic Protective Equipment Program, Public Works Zone Safety Equipment, and Public Works Lift Assist Equipment Program. Based on the success of these programs, staff recommends the following be continued in 2019 at the same budgetary amounts allotted in 2018:

- I. Accreditation / Reaccreditation Program: Recommended Budget: \$15,000
- II. Lexipol Policy Manual Development Program: Recommended Budget: \$25,000
- III. Injury Prevention Program: Recommended Budget: \$10,000
- IV. Fire Service Equipment Program: Approved Budget 2016-2019, \$100,000
- V. Ballistic Protective Equipment Program: Approved Budget 2018-2020, \$22,000
- VI. Lift Assist Equipment Program: This grant is gaining traction with the membership and will be used as part of risk management recommendations in conjunction with Loss Control Visits. Staff recommends also expanding this grant to all operating departments. Recommended Budget: \$15,000

- VII. Work Zone Safety Equipment Program: Staff recommends renaming this grant to Traffic Control and Work Zone Safety Equipment Program to allow for all operating departments to apply for necessary safety equipment while working in the roadway. This change would not increase the budget from 2018. Recommended Budget: \$20,000

Total Grant Budget Recommendation: \$207,000

5. Training Subsidy / Discounts

IRMA currently offers three training subsidies / discounts for training members may send attendees to which are offered outside of IRMA's programs. These programs include Snowplow Driver Training (PW - \$40 subsidy), Driver Simulation Training (PD - \$40 subsidy), and Incident Safety Officer Training (FD - \$75 subsidy). Staff recommends expanding this program to include subsidies for the following:

- I. IRMA Train-the-Trainer Subsidy: In 2016, IRMA offered the Flagger Certified Instructors Grant program which provided five large members the ability to train and conduct flagger training without assistance from IRMA Staff. The program required the recipients to be available to provide regional training to other local IRMA members, if needed. Between January 2017-March 2018 grant recipients administered 9 flagger training classes for 7 different members. This great example highlights the benefits of pooling and sharing resources. Staff recommends offering a training subsidy to members willing to share their trainers with the pool on any IRMA Sponsored Train-the-Trainer Program. Members would be eligible for up to (1) recipient per member department of the subsidy for 50% of the cost, up to a maximum of \$50, whichever is larger, with a requirement for the trainer to administer a maximum of (2) training sessions per year within 2-years of taking the train-the-trainer course. Eligible courses would be determined by staff. Recommended Budget: \$250 (5 PW, FD, or PD Personnel)
- II. ITOA Rescue Task Force Instructor Train-the-Trainer: During 2017 & 2018, the FCSC & PCSC collaborated for a discussion on Rescue Task Force (RTF) and Active Shooter Event (ASE) Awareness. The IRMA program offered in 2018 on the topic was highly regarded, with over 150 regional police, fire and EMS personnel in attendance. IRMA supports the mission of having members trained and prepared to respond to an ASE. Staff recommends training subsidy for up to (1) recipient per member department for a \$150 training subsidy, with a requirement for the trainer to administer a maximum of (2) training sessions per year within 2-years of taking the train-the-trainer course. Recommended Budget: \$750 (5 FD or PD Personnel)
- III. Safety/Training Officer Certifications: Injuries sustained during physical training for police and fire departments remain high, costing the pool over \$4.5 million between 2013-2017. In an effort to assist members with reducing costs of having staff properly certified as a safety and training officers, IRMA recommends a training subsidy of \$100 for (1) recipient per member department to become certified. Recommended Budget: \$500 (5 FD or PD personnel).

Total Training Subsidy / Discount Recommendation: \$4,000

6. Risk Management Pilot Programs

Staff recommends adding a new line item for 2019 to include financing for pilot programs targeted at mitigating risks affecting the pool. The success of offered programs, such as pooled pricing and certain grant opportunities, may require a testing phase to ensure that results are being delivered and member expectations are being met. Additionally, it will provide staff with flexibility to provide risk management solutions as necessary throughout the year, including technical training or policy development with outside experts.

Total Risk Management Pilot Program Recommendation: \$2,500

Recommendation: Staff is recommending the above programs be approved for 2019.

Training and Risk Management Committee (11/14/18): TRMC approved the 2019 Training and Risk Management programming unanimously.

2019 CALENDAR OF IRMA BOARD & STANDING/STEERING COMMITTEE MEETINGS

JANUARY	FEBRUARY TRMC – 1/31 9:30 am MRC - 2/13 9:30 am CCLC – 2/14 9:30 am AFC – 2/19 9:30 am EB – 2/27 9:30 am	MARCH BOD - 3/20 9:30 am Outgoing Chair Awards	APRIL PRSC - 4/4 10:30 am PWSC – 4/9 8:30 am PCSC - 4/11 10:00 am FCSC – 4/18 8:30 am	MAY CCLC – 5/2 9:30 am TRMC – 5/8 9:30 am MRC – 5/15 9:30 am AFC – 5/29 9:30 am Auditor Presentation	JUNE EB – 6/5 9:30 a.m. BOD – 6/19 9:30 am Joint Steering Mtg-6/20 CAFR Annual Risk Mgmt Report Best Risk Mgmt. Awards
JULY	AUGUST PWSC – 8/13 8:30 am PCSC - 8/15 10:00 am FCSC – 8/22 10:30 am	SEPTEMBER TRMC – 9/4 9:30 am MRC – 9/11 9:30 am CCLC – 9/17 9:30 am AFC – 9/25 9:30 am Committee review Preliminary budget	OCTOBER EB – 10/2 9:30 am BOD – 10/16 Following the Education Summit at NIU Naperville FCSC – 10/24 10:30 am Preliminary Budget Personnel Report Coverages	NOVEMBER MRC - 11/6 9:30 am PCSC – 11/7 10:00 am CCLC – 11/7 1:30 pm PWSC – 11/12 8:30 am TRMC – 11/13 9:30 am AFC – 11/14 9:30 am EB – 11/21 9:30 am	DECEMBER BOD - 12/11 9:30 am Final Budget

Board of Directors (BOD) Note: Meets Wednesday at 9:30 a.m. – Westbrook Corporate Center Conference Room – Tower 2

- Executive Board (EB)**
- Coverage, Claims & Litigation (CCLC)**
- Training & Risk Management Committee (TRMC)**
- Membership Relations (MRC)**
- Administration & Finance (AFC)**
- Police Chiefs Steering Committee (PCSC)**
- Fire Chiefs Steering Committee (FCSC)**
- Public Works Steering Committee (PWSC)**
- Parks and Recreation Steering Committee (PRSC)**



MEMORANDUM

TO: IRMA Board of Directors
FROM: Kathleen Gargano, Nominating Committee Chair
DATE: November 20, 2018
RE: Slate of Candidates – 2019 IRMA Officers

The 2018 IRMA Nominating Committee convened for the purpose of forming a slate of candidates for the officers of Chair, Chair Elect, Treasurer and two At-Large Representatives for 2019. The 2019 slate of officers and At-Large Representatives is respectfully presented and recommended as follows:

<u>Position</u>	<u>Name</u>	<u>Member Organization</u>
Chair	Jessica Frances	Village of Riverside
Chair Elect	Michael Braiman	Village of Wilmette
Treasurer	Eric Helm	City of Crystal Lake
At-Large Representative (Large)	Ashley Engelmann	Village of Libertyville
At-Large Representative (Small)	Lisa Scheiner	Village of River Forest

I would like to thank Eric Helm, Michael Braiman and Jessica Frances for their efforts and contributions in serving on the Nominating Committee.

Your support of this slate of candidates is appreciated.

KG/ds

Copy to: IRMA Executive Board



**BOARD OF DIRECTORS
Meeting Minutes**

**Wednesday, October 17, 2018
NIU – Naperville
12:30 p.m.**

I. CALL TO ORDER

Chair Frances called the meeting to order at 12:30 p.m. Ely called the roll and a quorum was declared.

II. CONSENT AGENDA

Frances asked for a motion to approve the consent agenda. A motion was made by Robbins and seconded by Gargano. The motion carried.

III. CHAIR'S REPORT – FRANCES

A. Changes in IRMA Delegates/Alternates

Frances welcomed the following new Delegates/Alternates:

Nicole Larson, Delegate – Glencoe
Ashley Engelmann, Delegate – Libertyville
Laura Ditanto, Alternate – Libertyville
Ben Harris, Alternate – Lincolnwood
Jeffrey Monteleone, Delegate – Willowbrook

**B. Announcement of Formation of Nominating Committee for 2019 Officers
(Immediate Past Chair - Gargano)**

Gargano mentioned on page 41 of your packet is the recommendation for the At-Large Representative and to have the forms sent in by November 5th. For those members who have not participated, it is a great opportunity.

IV. ACTION ITEMS

A. Approval of Board of Directors Meeting Minutes of June 12, 2018

A motion was made by Helm and seconded by Wachtel to approve the Board of Directors meeting minutes of June 12, 2018. The motion carried.

-
- ✓ Voice Vote
 - ✓✓ Bylaw Vote – 2/3 of Membership

B. Revision to Statement of Guidelines for Membership Selection, Withdrawal & Expulsion

Wachtel reported what we are trying to accomplish is a revision to our Statement of Guidelines for Membership Selection, Withdrawal & Expulsion and to make sure our Bylaws, our policy and our practice are in alignment. Our IRMA Contract Bylaws require members to provide at least 120 days written notice to withdraw from the pool. However, in order to be eligible for the return of their member reserves, members must provide 9 months written notice of withdrawal. They would need to provide notice by March 30th for withdrawal the following January 1st. The current statement of guidelines allows a member 60 days to rescind their notice of withdrawal and recently we have had members who have issued that 9-month notice of intent to withdraw so they can have the potential of receiving their member reserve but have also asked they be provided additional time to rescind their notice. Staff is recommending revising the Statement of Guidelines to provide that members can rescind their notice of intent to withdraw until August 31st, subject to approval by both the Membership Relations Committee and the Executive Board. There are also a couple of other housekeeping revisions within the policy. A motion was made by Wachtel and seconded by Gargano to approve as presented. The motion carried.

C. 2019 Personnel Report

Helm mentioned the recommendation is the approval of the 2019 Salary Ranges; approval of a 3% merit increase for 2019 and approval of a .005% bonus program to recognize IRMA employees. A motion was made by Helm and seconded by Braiman to approve the 2019 Personnel Report.

D. 2019 Coverage Renewal

Cedillo provided a detailed overview of the Excess & Reinsurance Coverage Renewal to the Board. A motion was made by Robbins and seconded by Wachtel to approve the 2019 Excess & Reinsurance Coverage Program Renewal, which has been presented. The motion carried.

E. 2019 Preliminary Budget

Helm reported that this is just a preliminary budget and that the final budget will be presented to the committee in November and the final budget will be presented to the Board in December. Helm gave an overview of the 2019 Preliminary Budget to the Board. A motion was made by Helm and seconded by Halik to approve the 2019 Preliminary Budget. The motion carried.

F. Expanded Auto Coverage for New Vehicles

Cedillo mentioned the action requested is to approve a recommended revision to the First Party Property Coverage-Vehicle Damage language that will expand coverage to provide for full replacement value coverage for member covered vehicles under 1 year old. Cedillo gave the background on this item to the Board. The enhancement on this coverage would mean that a 1 year is based on model year, regardless of purchase or possession. So, a 2018 model is eligible for this enhanced coverage up until December 31, 2019. A motion was made by Cedillo and seconded by Helm to approve a revision to the First Party Property Coverage – Vehicle Damage language that will expand coverage to provide for full replacement value for member covered vehicles under 1 year old. The motion carried.

- G. Proposed Coverage Changes
 - 1. Law Enforcement Activities
 - 2. Employment Practices

Cedillo mentioned this is regarding recommended changes to the IRMA General Liability and Public Officials Liability coverages as presented. Cedillo gave an overview of the recommended coverage changes. The Business Auto Liability will be presented at the November 8th CCL meeting. A motion was made by Cedillo and seconded by Braiman to approve the recommended changes to the IRMA General Liability and Public Officials Liability coverages as presented. The motion carried.

- H. Claims Policy Statement Reserving Policy Revisions

Cedillo mentioned this item is regarding the Claims Policy Statement Reserving Policy revisions. The action requested is to approve changes to IRMA's Claims Policy to revise the reserving practices provisions to comport with staff's practices and address comments in the claims auditor report. Cedillo gave a brief overview of the revisions that were recommended from the claims audit in 2016. A motion was made by Cedillo and seconded by Wachtel to approve changes to IRMA's Claims Policy to revise the reserving practices provisions to comport with staff's practices and address comments in claim auditor report. The motion carried.

- I. Consider Strategic Planning Workshop

Ely mentioned that it has been six years since IRMA had a strategic planning workshop. This agenda item is for the membership to agree that it's time for us to have a broader strategic discussion and requires some time from the members. Ely reported that some issues for consideration include: Growth; Office Space, Business Model – Internal/External; Succession Planning and Financial policies. A motion was made by Gargano and seconded by Cedillo to schedule a strategic planning workshop in the next year and then having the Executive Board make the decision about where those issues then be assigned. The motion carried.

V. EXECUTIVE SESSION

Executive Session Minutes – March 21 and June 12, 2018

A motion was made by Robbins and seconded by Braiman to approve the Executive Session Minutes of March 21 and June 12, 2018. The motion carried.

VI. ADDITIONS TO AGENDA

VII. CONFIRMATION OF NEXT MEETING

Wednesday, December 12, 2018
9:30 a.m. - Westbrook Corporate Center Conference Room

VIII. ADJOURNMENT

A motion was made by Halik and seconded by Cedillo 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

72 Members Total

Quorum = 36

2/3 = 47

INTERGOVERNMENTAL RISK MANAGEMENT AGENCY ROLL CALL							
Meeting Date: October 17, 2018		PIA	#1	#2	#3	#4	#5
Addison	Donald Pinson Joseph E. Block Jr.	_____					
Arlington Heights	Thomas Kuehne Mary Rath Jim Obog (Proxy)	_____					
Barrington	Colleen Nigg Heather McGovern	<u>P</u>					
Bartlett	Janelle Terrence Scott Skrycki	<u>P</u>					
Bartlett Fire Protection District	Ralph DeFreece Richard Wilson	<u>P</u>					
Berkeley	Brandiss Martin Rudy Espiritu	<u>P</u>					
Bloomington	Barbara Weber Gary Szott	<u>P</u>					
Brookfield	Michelle Robbins Doug Cooper	<u>P</u>					
Burr Ridge	Doug Pollock Evan Walter	<u>P</u>					
Carol Stream	Robert Mellor Tia Messino	<u>P</u>					
Carol Stream FPD	Robert Hoff Angela Kneisel	<u>P</u>					
Cary	Jacob Rife Courtney Sage	_____					
Cary Area Public Library District	Diane McNulty Karen Long	<u>P</u>					
Clarendon Hills	Peter Nickell Maureen Potempa	<u>P</u>					
Countryside	Sharon Peterson Gail Paul	<u>P</u>					
Crete	Doris Harmon-Warren Michael Smith	<u>P</u>					
Crystal Lake	Eric Helm Gary Mayerhofer	<u>P</u>					
Darien	Bryon Vana Lisa Klemm	<u>P</u>					
East Hazel Crest	Patricia Lazuka Helen Minnis	<u>P</u>					
Flossmoor	Scott Bordui Bridget Wachtel	<u>P</u>					

INTERGOVERNMENTAL RISK MANAGEMENT AGENCY ROLL CALL

Meeting Date: October 17, 2018		PIA	#1	#2	#3	#4	#5
Glencoe	Nicole Larson Denise Joseph	<u>P</u>					
Hanover Park	Lawrence Pikora	_____					
Hazel Crest	Gwendolyn Gray	<u>P</u>					
Hillside	Russell F. Wajda Joseph L. Pisano	_____					
Hinsdale	Kathleen Gargano Darrell Langlois	<u>P</u>					
Homewood	Dennis Bubenik Jim Marino	<u>P</u>					
Indian Head Park	John DuRocher Argelia Garbacz	<u>P</u>					
Kenilworth	Patrick Brennan Maryann Van Dyke	_____					
LaGrange	Andrianna Peterson	<u>P</u>					
LaGrange Park	Emily Rodman Julia Cedillo	<u>P</u>					
Lake Bluff	Drew Irvin David Belmonte	_____					
Lake Forest	Robert Kiely Elizabeth Holleb	<u>P</u>					
Lake in the Hills	Jennifer Clough Shane Johnson	<u>P</u>					
Lake Zurich	Doug Gibson Kyle Kordell	<u>P</u>					
Lemont	Kay Argo George Schafer	<u>P</u>					
Libertyville	Ashley Engelmann Laura Ditanto	<u>P</u>					
Lincolnwood	Robert Merkel Ben Harris	_____					
Lisle	Jack Knight Eric Ertmoed	<u>P</u>					
LTACC	Lou Cipparrone	_____					
Morton Grove	Ralph Czerwinski Tom Friel	<u>P</u>					

INTERGOVERNMENTAL RISK MANAGEMENT AGENCY ROLL CALL

Meeting Date: October 17, 2018		PIA	#1	#2	#3	#4	#5
Mount Prospect	David Erb Michael Cassady	<u>P</u>					
Mundelein	Doug Haywood Peter Vadopalas	<u>P</u>					
NEMRT	Tom Reasoner Charles Ghiloni	<u>P</u>					
NIPSTA	Jill Ramaker	<u>P</u>					
Northbrook	Greg Van Dahm Debbie Ford	<u>P</u>					
Northfield	Melissa DeFeo Steve Gutierrez	<u>P</u>					
Oak Brook	Jason Paprocki Kathy Vonachen	—					
Olympia Fields	Cynthia Saenz James Landini	<u>P</u>					
Palos Heights	Dan Nisavic Kathy Jirik Ken Busse (Proxy)	<u>—</u> <u>P</u>					
Palos Park	Richard Boehm Barbara Maziarek	<u>P</u>					
Park Forest	Denyse Carreras Lawrence Kerestes	<u>P</u>					
Richton Park	Dawn Davis David Sevier	<u>P</u>					
River Forest	Lisa Scheiner Jon Pape	<u>P</u>					
Riverside	Jessica Frances Matthew Buckley	<u>P</u>					
Rolling Meadows	Barry Krumstok Joyce DeLeon	<u>P</u>					
Roselle	Jeffrey O'Dell Jason Bielawski	—					
Stickney	Mary Hrejsa Beth Lukas Paul Nosek (Proxy)	<u>—</u> <u>P</u>					
Sugar Grove	Matt Anastasi Tim Barker	<u>P</u>					
Tinley Park	Patrick Carr Denise Maiolo	—					
Villa Park	Janet Gorman Kevin Wachtel	—					

INTERGOVERNMENTAL RISK MANAGEMENT AGENCY ROLL CALL

Meeting Date: October 17, 2018		PIA	#1	#2	#3	#4	#5
West Central Consolidated Communications	Jason Rodgers Guy Belmonte	<u>P</u>					
West Chicago	Carol LeBeau Michael Uplegger	<u>P</u>					
West Chicago FPD	Patrick Tanner Tim Leidig	—					
West Dundee	David Danielson Joe Cavallaro	<u>P</u>					
Westchester	James Adams	—					
Western Springs	Ellen Baer Grace Turi Daisy Chavez (Proxy)	<u>P</u>					
Westmont	Cathy Crane Spencer Parker	<u>P</u>					
Willowbrook	Jeffrey Monteleone Carrie Dittman	<u>P</u>					
Wilmette	Michael Braiman John Prejzner	<u>P</u>					
Winfield	Curtis Barrett Lynn McCammon	<u>P</u>					
Winfield FPD	Phillip DiMenza Steve Evans	<u>P</u>					
Woodridge	Peggy Halik Trevor Bosack	<u>P</u>					
PRESENT		58					
ABSENT		14					
YES							
NO							

OTHERS PRESENT

Margo Ely	Rita Boserup	Frankie Granelli
Jennifer Swahlstedt	Keena Marks-Cutler	Tyler Pennington
Dan LeTourneau	Susan Barvey	Paul Lela
Donna Sluis	Mike Metzger	

Roll Call Prepared By:


Margo Ely, Executive Director



MEMORANDUM

TO: Coverage, Claims, & Litigation Committee
Membership Relations Committee

FROM: Margo Ely, Executive Director
Susan Garvey, Legal Director

DATE: October 31, 2018

RE: Claims Administration Services for Mount Prospect's Previous WC Claims

Action Requested: Concur with staff's recommendation that IRMA provide claims administration services to Mount Prospect for workers' compensation claims filed before Mount Prospect joined IRMA for a one-time payment as further described herein.

Background/Discussion: Mount Prospect joined IRMA in January 2018. Soon thereafter, the Village asked IRMA to take over their "pre-existing" general liability claims from their prior provider. The memorandum that explained this request is attached as Exhibit A. At that time, the membership approved of the recommended formula for pricing this ala carte service. The formula requires that the number of claims be multiplied by 1.5 and then figure the percentage of an adjuster's claim workload the claims will take and then calculate the cost based on an average adjuster salary and benefits.

As the attached memorandum projected, Mount Prospect has now requested that we take over their "pre-existing" workers' compensation claims starting January 1, 2019. We are still working with Mount Prospect and their current Third-Party Administrator to determine the actual number of cases at issue, but we believe it is approximately 6 cases. Based on the approved formula, the price for 6 cases service is \$7,726.

Recommendation: Concur with staff's recommendation and authorize claims administration services for Mount Prospect's workers compensation claims effective January 1, 2019 for a price based on the formula previously approved.

Membership Relations Committee Recommendation (11/7/18): The MRC approved staff's recommendation to authorize claims administration services for Mount Prospect's workers compensation claims effective January 1, 2019 for a price based on the formula previously approved. After the agenda item was published, we were informed that the exact number of claims is 13. The total payment from Mount Prospect will be \$16,972.50.

Coverage Claims and Litigation Committee (11/8/18): The CCLC approved staff's recommendation.

Executive Board 11/28/18: The Executive Board approved staff's recommendation to provide claims administration services for Mount Prospect's workers compensation claims as presented, at a price of \$16,972.50 for 13 claims.



MEMORANDUM

TO: Coverage, Claims, & Litigation Committee
Membership Relations Committee

FROM: Margo Ely, Executive Director
Susan Garvey, Legal Director

DATE: April 26, 2018

RE: Claims Administration Services for Mount Prospect's Previous GL Claims

Action Requested: Concur with staff's recommendation that IRMA provide claims administration services to Mount Prospect for 6 general liability claims filed before Mount Prospect joined IRMA for a one-time payment of \$7,726 as further described herein.

Background: IRMA is a full-service risk management agency, which means we provide all lines of coverage to our members and administer all of their claims. Municipalities that are not members of IRMA frequently procure insurance from various providers based on different lines of coverage and they may also have a "TPA" (third party administrator) handle their claims. It is not uncommon for their separate insurance coverages to expire at different times, which can cause consternation when considering joining IRMA. Over the past year, the IRMA membership has provided staff with flexibility to accommodate these staggered expirations, by providing credits to municipalities for other insurance coverage in force that overlaps the new member's date of IRMA membership.

Claims administration is a strength of IRMA's, based on our highly qualified and experienced staff. IRMA also provides the benefit of having one location where all claims information is maintained, simplifying insurance programs for municipalities. Mount Prospect has requested that IRMA "administer" their general liability claims that pre-date their IRMA membership. Their current "TPA" contract expires on June 30, 2018. Looking forward, Mount Prospect's "TPA" contract for their worker's compensation claims expires on December 31, 2018 and we anticipate Mount Prospect will, similarly, prefer to move those claims to IRMA.

Discussion: Staff recommends that the CCLC consider a formula, so that moving forward, we can price these types of requests and process them for approval. Since IRMA is a full-service organization that does not offer members the option to pick and choose the coverages and services provided, these requests will always require approval by the Board of Directors.

In determining the appropriate cost for these administration services, the first question is the number of claims. Since these claims will always be "older" claims, which are often more complex or difficult, we recommend that a multiplier of 1.5 be added to the number of claims. As such, Mount Prospect has 6 open GL claims, so after a multiplier of 1.5, they have the equivalent of 9 claims. The next part of the question is how to address the staff resources required to provide this service. We aim for our adjusters to have a claim workload of 130 claims. As such, 9 claims are approximately 6.9% of an adjuster's workload. Our average adjuster costs \$111,593 with

Memorandum to Coverage, Claims & Litigation Committee

April 26, 2018

Re: Claims Administration Services for Mount Prospect's Previous GL Claims

Page 2

salary and benefits. Therefore, the appropriate price for this service to Mount Prospect is 6.9% of \$111,593, or \$7,726.

Recommendation: Concur with staff's recommendation and authorize claims administration services for Mount Prospect's GL claims effective July 1, 2018 for a price of \$7,726.

Coverage Claims and Litigation Committee (5/3/18): The CCLC concurred with staff's recommendation to authorize claims administration services for Mount Prospect's GL claims effective July 1, 2018 for a price of \$7,726.

Membership Relations Committee (5/16/18): The MRC concurred with the staff and CCLC recommendation to authorize claims administration services for Mount Prospect's GL claims effective July 1, 2018 for a price of \$7,726.

Executive Board (5/30/18): The Executive Board concurred with the CCLC & MRC recommendation to authorize claims administration services for Mount Prospect's GL claims effective July 1, 2018 for a price of \$7,726.

ME/SG/ds



MEMORANDUM

TO: Administration & Finance Committee

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

DATE: November 8, 2018

RE: **2018 Interest Income Credit**

ACTION REQUESTED: Concur with staff's recommendation to return \$11,000,000 of interest income to members in December 2018.

BACKGROUND/DISCUSSION: At the last Finance Committee meeting, after much discussion, the Committee directed staff to apportion \$20 million of the interest income to a new "Contingency fund" and return \$11 million to the membership in December. (Attachment A, Contingency Fund Memo and Attachment B, Proposed Interest Income Memo). Thereafter, the Executive Board discussed the item and concurred with the Finance Committee's recommendation adding the consideration of the new Contingency Fund to the 2019 strategic workshop discussion.

The Committee also requested options as to how much of the interest income credit should be used for rate stabilization in the 2019 budget. This is addressed in a separate memo.

RECOMMENDATION: Direct staff to return \$11,000,000 of the 2017 interest income credit to the membership in December 2018.

Administration & Finance Committee Recommendation (11/13/18)

The Administration & Finance Committee approved the Interest Income Credit with the amount of the 2018 Interest Income Credit at \$11 million.

Executive Board (11/28/18): The Executive Board unanimously approved the return of \$11,000,000 of interest income to members in December 2018.

/RB



MEMORANDUM

TO: Executive Board

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

DATE: November 20, 2018

RE: **2019 Final Budget**

Action Requested: Approve the 2019 budget at \$36,266,997 and utilize \$2,500,000 as rate stabilization.

Background/Discussion: In accordance with the IRMA Budget Policy and the Standing Committees' Statements of Responsibility, each standing committee reviews and approves its portion of the budget. The Executive Board then reviews the detailed operating budget in total.

Attached are the budget summary, the detailed operating budget and an explanation of each line item. There is a list of the committees responsible for each budget recommendation at the end of this memo. The final 2019 budget is \$1.3 million less than 2018.

Some highlights for the final 2019 budget include:

An increase in the contribution rate from 1.996 to 2.044, a decrease in the Rate Stabilization amount used from \$5 million to \$2.5 million, and a total expense budget that decreased by \$1,313,970, or 3.5%. The original rate stabilization limited the total member contribution increase to the PTELL rate of 2.1%, (\$3,448,000) using the prior year contribution and excluding withdrawn members. However, after much discussion, the AFC decided to reduce the rate stabilization to \$2,500,000.

The 2019 IRMA Revenue Base decreased 5.3% overall after the withdrawal of Tinley Park and Westchester and decreased by \$90,881,166 from 2018, from \$1,712,022,513 to \$1,621,141,347. On a same-member comparative basis, the revenue base increased by .6%, or \$10,225,189. The total administrative budget had a 1% decrease over 2018, the commercial insurance budget increased by \$181,914 or 6.8%, while the loss fund decreased by \$1,453,952 (4.7%) due to the lower revenue and lower loss fund rate.

- **Personnel** – The number of full-time equivalent employees is expected to remain unchanged at 21. The salary budget is proposed to increase by \$59,700 or 3%. The IMRF contribution rate is expected to decrease from 14.4% in 2018 to 10.8% in 2019, resulting in savings of approx. \$65,000. The health insurance budget includes a 30% rate decrease for medical and a decrease for dental, for a net reduction of 2.8% and savings of \$78,000 vs. 2019.
- **Other Personnel Expenses** – This category decreased 9.1%, or \$6,400, due mainly to decreased training and travel in all areas.

- **Commodities** – This category increased by 4.6%, or \$12,430, due to increases in the annual office rent expense multiplier and increased printing costs for marketing materials.
- **Contractual Services** – This proposed budget increase is 5.1%, or \$21,669, which includes decreasing the Early Intervention Program by \$35,000 to \$20,000; \$14,500 for the claims audit that is done every three years and is due in 2019; a decrease of \$10,000 by eliminating the Legislative expense item; a \$5,057 increase in Risk Management Consulting for additional training; an increase of \$20,000 for the Predictive Modeling project in the actuarial line; and an increase of \$5,000 in the property appraisal line item.

The IRMA Early Intervention Program provides risk management services to members when an incident involving potential liability occurs, and before a claim or lawsuit has been filed. IRMA staff and outside consultants work with the member to assure that evidence is appropriately preserved at the time of the incident, so that we are well-positioned to defend a lawsuit when/if it is filed. In recent years, we have greatly enhanced awareness of the program to our members, and as a result, we have seen greater utilization of the program. The costs of the program are primarily attorney fees. The costs of this program will be recorded in the loss fund as the program is geared toward preventing claims.

- **Member Education/Incentives** – The proposed budget increase is 1.7% (\$6,844) mainly due to increasing steering committees by \$6,000 with minor reductions in other accounts. The Member Recruitment line item remains at \$20,000 for the purpose of attracting and retaining members and continuing marketing activities.
- **Information Technology** – The proposed budget is unchanged from 2018 at \$277,751 and includes the following projects: Email Upgrade/Office 365; Internet Connection Redundancy (fiber); adjuster laptop replacements; and an upgrade to the most current version of the GP Dynamics accounting system.
- **Capital Outlay** – The budget is up by \$1,500 from 2018 for workstation ergonomic options.
- **Commercial Insurance** – This budget increase is 6.8%. Premiums for property coverage increased by \$21,610 or 2.8%, general liability by \$164,642 or 15.5%, while workers compensation increased by \$5,662, or .9%. A large portion of these increases are attributable to exposure increases rather than revenues, since IRMA moved to \$12 million in liability coverage for all members.
- **Loss Fund** – The actuary's recommendation at the selected level is a pure premium loss fund rate of 1.801, which is a decrease of 4.3% from 2018's final rate of 1.881. The loss fund rate is multiplied by the revenue base to determine the loss fund budget. The pure premium rate does not include any administrative expenses and additional insurance costs. The loss fund rate (1.801) is multiplied by the revenue base (1,621,141,347) to determine the loss fund budget (29,196,756 + 2,200 for LITH airport buildings).

The member contribution rate based on the five-year average revenue base for 2019 is \$2.044, an increase from 2018, due to a proposed use of \$2.5 million as a rate stabilization from the interest income credit and a reduction in the overall budget of \$1.3 million. This rate will be multiplied by each member's

five-year average revenue base to determine the annual contribution. This annual contribution is adjusted by many factors, but primarily by an experience modifier based on five years of losses, to determine the member's final contribution. The final contribution can be reduced by an optional deductible credit, which members will select later in the year.

The committees have been assigned the following categories to review:

Administration & Finance

Personnel Services
Other Personnel Services
Commodities
Contractual Services – Financial Audit
Contractual Services – Investment Consultant
Contractual Services – Corporate Legal
Contractual Services – Consulting Services
Contractual Services – Actuary Consulting
Information Technology
Capital Outlay
Self-Insured Loss Fund

Coverage, Claims & Litigation

Contractual Services – Claims Audit
Contractual Services – Claims Admin
Commercial Insurance Services

Membership Relations

Contractual Services – Legislative
Contractual Services – Unemployment
Contractual Services – Appraisal
Contractual-Property Appraisal

Training & Education

Contractual Services – Risk Management Consultant
IRMA Education and Incentives

Administration & Finance Committee Recommendation (11/13/18)

The Administration & Finance Committee approved the 2019 final expense budget as presented but decreased the Rate Stabilization funds applied from \$3.448 million to \$2.5 million. There has been a \$8,034 addition to the budget after the AFC meeting due to finalization of the revenue base, which directly impacts the loss fund.

Executive Board (11/28/18): The Executive Board unanimously approved the 2019 final expense budget of \$36,266,997 and the utilization of \$2,500,000 as rate stabilization.

ME/RB/ds
Attachments



MEMORANDUM

TO: Board of Directors
FROM: Rita Boserup, Director of Financial Services
DATE: November 7, 2018
RE: Changes for the 2019 Final Budget

PURPOSE: For informational purposes only.

BACKGROUND/DISCUSSION: The 2019 preliminary budget was approved by the Board of Directors with no revisions, on October 17, 2018. The budget memorandum and detail are attached for reference. Summarized below are the changes from the preliminary budget to the final budget.

36,458,544	Preliminary budget as presented October 17th
-139,062	Decrease due to the reduction in the loss fund rate
-35,000	Reduction in Corporate Legal
-16,067	All Risk Premium decrease
-11,211	General Liability decrease
-1,500	Dental and FSA cost decrease
8,034	Final update to the loss fund due to revenue base changes
2,259	Workers' Compensation Ins increase
1,000	Steering Committee increase
<hr/>	
36,266,997	Final 2019 budget

Total decrease for the final budget = \$-191,547. Please refer to the 2019 Final Budget memo for the details of the budget.

Therefore, the Final 2019 Budget is \$36,266,997, subject to adjustment for the individual member's optional deductible credits, which will not change the members' gross contributions.

RECOMMENDATION: No action necessary.

Administration & Finance Committee (11/13/18)

The budget as presented to the Administration & Finance Committee has been increased by \$8,034 due to changes in finalizing the revenue base, which directly impacts the loss fund.

RB/ds
Attachments

Final Budget Summary for Fiscal Year 2019

11/20/2018

	<u>Budget 2017</u>	<u>Budget 2018</u>	<u>Budget 2019</u>
Contribution Rate-Based on 5 Year Avg	\$2.205	\$1.996	\$2.044
Revenue Base	\$1,458,497,095	\$1,633,345,757	\$1,621,141,347
5 Year Average Revenue Base	\$1,387,092,609	\$1,531,165,672	\$1,551,275,214
Revenues:			
Contributions	\$30,581,887	\$30,561,092	\$31,709,397
Excluded Services Adjustment	(47,132)	(23,525)	2,200
Net Contributions	<u>30,534,755</u>	<u>30,537,567</u>	<u>31,711,597</u>
Rate Stabilization Interest Income Cred	\$1,500,000	\$5,000,000	\$2,500,000
Investment Income	1,850,000	2,000,000	2,000,000
Training/Other	<u>26,000</u>	<u>43,400</u>	<u>55,400</u>
Total Revenues	\$33,910,755	\$37,580,967	\$36,266,997
Expenses:			
Personnel Services	\$2,600,222	\$2,780,633	\$2,702,662
Other Personnel Expenses	76,454	70,414	64,010
Commodities	276,026	272,016	284,446
Contractual Services	384,223	426,928	448,597
Member Education/Incentives	298,460	408,951	415,795
Information Technology	295,682	277,751	277,751
Capital Outlay	22,400	8,000	9,500
Contingency	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>
Subtotal - Administration	<u>3,958,467</u>	<u>4,249,693</u>	<u>4,207,761</u>
Commercial Insurance Services	<u>2,562,890</u>	<u>2,678,366</u>	<u>2,860,280</u>
Self-Insured Loss Fund	27,436,530	30,676,433	29,196,756
Adjustments	(47,132)	(23,525)	2,200
Net Loss Fund	<u>27,389,398</u>	<u>30,652,908</u>	<u>29,198,956</u>
Total Expenses	\$33,910,755	\$37,580,967	\$36,266,997

Optional deductibles have been removed from the calculations as they have no budget impact

Final 2019 Detailed Operating Budget

11/20/2018

	2017 Actual	2018 Estimated	2018 Budget	2019 Budget	Difference between 2018 vs. 2019	% change between 2018 vs. 2019
PERSONNEL SERVICES:						
Salary Expenses	\$1,837,823	\$1,920,000	\$1,990,000	\$2,049,700	59,700	3.00%
Health Ins & Benefits	<u>734,693</u>	<u>\$753,000</u>	<u>790,633</u>	<u>652,962</u>	<u>(137,671)</u>	<u>-17.41%</u>
SUB-TOTAL:	\$2,572,516	<u>2,673,000</u>	<u>2,780,633</u>	<u>2,702,662</u>	<u>(77,971)</u>	<u>-2.80%</u>
OTHER PERSONNEL EXPENSES:						
Tuition Reimbursement	\$362	\$1,400	\$2,040	\$1,950	(90)	-4.41%
Training/Travel (Staff)	12,971	19,000	23,650	18,500	(5,150)	-21.78%
Training/Travel (Officers)	0	0	4,000	3,000	(1,000)	-25.00%
Strategic Planning		0	0	0		
Membership Dues	14,973	17,783	15,924	19,760	3,836	24.09%
Auto Allowance	7,500	7,500	7,500	7,500	0	0.00%
Auto Mileage Reimbursement	5,880	6,100	7,100	6,100	(1,000)	-14.08%
Employment Recruiting	2,841	5,000	5,000	2,000	(3,000)	-60.00%
Reimbursements/Reception	<u>5,444</u>	<u>5,200</u>	<u>5,200</u>	<u>5,200</u>	<u>0</u>	<u>0.00%</u>
SUB-TOTAL:	<u>49,971</u>	<u>61,983</u>	<u>70,414</u>	<u>64,010</u>	<u>(6,404)</u>	<u>-9.09%</u>
COMMODITIES:						
Office Rental	\$168,768	\$174,717	\$169,369	\$178,769	9,400	5.55%
Communications	17,708	18,205	18,310	17,960	(350)	-1.91%
Electricity	5,059	5,000	6,000	5,000	(1,000)	-16.67%
Postage	10,731	10,200	10,900	10,200	(700)	-6.42%
Office Supplies	20,690	20,000	20,000	20,000	0	0.00%
Misc. Office Supplies	7,034	8,000	5,000	5,000	0	0.00%
Printing & Binding	0	5,200	500	5,300	4,800	960.00%
Service/Maintenance Equip.	17,013	16,761	16,257	16,257	0	0.00%
Off-site Storage	4,618	5,500	6,000	5,500	(500)	-8.33%
Publications/On-line Services	<u>19,334</u>	<u>20,107</u>	<u>19,680</u>	<u>20,460</u>	<u>780</u>	<u>3.96%</u>
SUB-TOTAL:	<u>270,955</u>	<u>283,690</u>	<u>272,016</u>	<u>284,446</u>	<u>12,430</u>	<u>4.57%</u>
CONTRACTUAL SERVICES:						
Financial Audit	\$59,532	\$54,900	\$55,625	\$54,900	(725)	-1.30%
Payroll Processing	3,200	\$3,600	3,300	\$4,000	700	21.21%
Investment Consultant	53,020	\$53,060	53,060	\$54,122	1,062	2.00%
Claims Audit	0	\$0	0	\$14,500	14,500	0.00%
Corporate Legal Service	37,203	\$3,100	35,000	\$20,000	(15,000)	-42.86%
Legislative	1,250	\$0	10,000	\$0	(10,000)	-100.00%
Unemployment Administration	11,822	\$13,800	14,000	\$15,000	1,000	7.14%
Consulting Services	0	6,000	20,000	20,000	0	0.00%
Risk Management Consultant	95,864	105,643	105,643	110,700	5,057	4.79%
Actuary Consulting	87,153	114,700	114,700	134,700	20,000	17.44%
3rd Party Claims Administration	564	643	600	675	75	12.50%
Property Appraisal Services	<u>30,528</u>	<u>23,925</u>	<u>15,000</u>	<u>20,000</u>	<u>5,000</u>	<u>33.33%</u>
SUB-TOTAL:	<u>380,136</u>	<u>379,371</u>	<u>426,928</u>	<u>448,597</u>	<u>21,669</u>	<u>5.08%</u>

	2017 Actual	2018 Estimated	2018 Budget	2019 Budget	Difference between 2018 vs. 2019	% change between 2018 vs. 2019
IRMA EDUCATION/INCENTIVES:						
IRMA Awards Program	\$1,674	\$5,300	\$8,700	\$10,000	1,300	14.94%
Training Materials	7,826	26,150	22,650	21,875	(775)	-3.42%
Driver Training	0	0	0	0	0	0.00%
IRMA Workshops-Seminars	13,370	21,450	22,400	21,100	(1,300)	-5.80%
On-Line Training	70,400	70,400	70,400	70,400	0	0.00%
Member Recruitment	27,065	18,000	20,000	20,000	0	0.00%
Steering Committee-Seminars	37,415	55,125	57,801	65,420	7,619	13.18%
Accreditation Grants	<u>132,657</u>	<u>207,000</u>	<u>207,000</u>	<u>207,000</u>	<u>0</u>	<u>0.00%</u>
SUB-TOTAL:	<u>290,407</u>	<u>403,425</u>	<u>408,951</u>	<u>415,795</u>	<u>6,844</u>	<u>1.67%</u>
INFORMATION TECHNOLOGY:						
LAN Administrator & Upgrade	\$58,320	\$63,000	\$64,500	\$64,800	300	0.47%
Maintenance & Website	16,884	19,000	16,000	19,000	3,000	18.75%
Hardware/Software	79,309	51,000	78,251	36,085	(42,166)	-53.89%
Software purch and licenses		25,751	0	34,566	34,566	0.00%
Computer Supplies		1,500	0	4,300	4,300	0.00%
Claims Software	<u>81,209</u>	<u>119,000</u>	<u>119,000</u>	<u>119,000</u>	<u>0</u>	<u>0.00%</u>
SUB-TOTAL:	<u>235,722</u>	<u>279,251</u>	<u>277,751</u>	<u>277,751</u>	<u>0</u>	<u>0.00%</u>
CAPITAL OUTLAY:						
Office Furniture	\$2,124	\$4,100	\$3,000	\$9,500	6,500	216.67%
Equipment/Machines	<u>4,798</u>	<u>5,000</u>	<u>5,000</u>	<u>0</u>	<u>(5,000)</u>	<u>-100.00%</u>
SUB-TOTAL:	<u>6,922</u>	<u>9,100</u>	<u>8,000</u>	<u>9,500</u>	<u>1,500</u>	<u>18.75%</u>
Contingencies	<u>0</u>	<u>0</u>	<u>5,000</u>	<u>5,000</u>	<u>0</u>	<u>0.00%</u>
SUBTOTAL-ADMIN	<u>3,806,629</u>	<u>4,089,820</u>	<u>4,249,693</u>	<u>4,207,761</u>	<u>(41,932)</u>	<u>-0.99%</u>
COMMERCIAL INS. SERVICES:						
Insurance Brokerage	\$102,000	\$107,100	\$107,100	\$107,100	0	0.00%
All Risk Property	740,424	766,698	766,698	788,308	21,610	2.82%
Workers' Compensation	591,676	652,800	652,800	658,462	5,662	0.87%
General Liability	1,073,721	1,178,424	1,061,568	1,226,210	164,642	15.51%
W/C Self-Insurer Funds	80,839	71,146	90,000	80,000	(10,000)	-11.11%
W/C Audit Premium	<u>0</u>	<u>200</u>	<u>200</u>	<u>200</u>	<u>0</u>	<u>0.00%</u>
SUB-TOTAL:	<u>2,588,660</u>	<u>2,776,368</u>	<u>2,678,366</u>	<u>2,860,280</u>	<u>181,914</u>	<u>6.79%</u>
SELF-INSURED LOSS FUND:						
Primary Loss Fund	27,436,530	\$30,676,433	30,676,433	29,198,956	(1,477,477)	-4.82%
Excluded Serv Adj*	(47,132)	(23,525)	(23,525)	0	23,525	-100.00%
Optional Deductible Credit*					<u>0</u>	<u>0.00%</u>
SUB-TOTAL:	<u>27,389,398</u>	<u>30,652,908</u>	<u>30,652,908</u>	<u>29,198,956</u>	<u>(1,453,952)</u>	<u>-4.74%</u>
TOTAL (Excluding Optional Deductible Credits and adj)	<u>33,831,819</u>	<u>37,542,621</u>	<u>37,604,492</u>	<u>36,266,997</u>	<u>(1,337,495)</u>	<u>-3.56%</u>
GRAND TOTAL:	<u>33,784,687</u>	<u>37,519,096</u>	<u>37,580,967</u>	<u>36,266,997</u>	<u>(1,313,970)</u>	<u>-3.50%</u>

2019 BUDGET EXPLANATION FOR EACH MAJOR CATEGORY

PERSONNEL SERVICES

Salaries – are budgeted at actual current salaries plus 3.0% for performance adjustments. This amount is based upon various articles and is subject to review by the Administration and Finance Committee, Executive Board and Board of Directors. Further information can be found in the 2019 Personnel Report.

Health Insurance – this line item will decrease by 22% for 2019. The medical premiums are decreasing by approximately 30% along with 26% for the dental plan. The medical, dental, and life policy renewals are effective December 1st.

Other Benefits – FICA and Medicare taxes, IRMA fitness/wellness program, and the estimated employer's cost of IMRF at 10.84%, which is a rate decrease from 14.36% in 2018. This line item is expected to decrease, mainly due to the IMRF rate reduction.

OTHER PERSONNEL EXPENSES

Tuition Reimbursement – One employee is taking classes in Risk Management.

Training/Travel Staff – The out-of-town and local categories are combined with an increased focus on training for all staff members.

Training/Travel Officers – Budget for an out-of-town trip for an Executive Board member to attend a risk management conference.

Membership Dues – Memberships in professional organizations.

Auto Allowance – Allowance for Executive Director and Director, Risk Management Services. The Executive Director allowance is \$400 per month, effective May 2014. Director, Risk Management allowance is \$225, effective January 2014.

Auto Mileage Reimbursement – Budget for mileage reimbursement for staff at the IRS mileage rate.

Employment Recruiting – Advertising and recruiting expenses, if necessary.

Reimbursement/Reception – Budget for monthly reimbursements, member and employee meeting lunches, employee holiday gathering.

COMMODITIES

Office Rental and Maintenance - Budget per average monthly cost of the 80 month lease that went into effect May 1, 2015. The lease expires on December 31, 2021.

Communications – Based on 2018 usage. The slight increase in this budget is mainly due to the estimated cost of switching from Comcast to an AT&T fiber line.

Electricity – Based on 2018 usage.

Postage/Delivery/Shipping – Based on 2018 usage.

Office Supplies – Based on prior years.

Miscellaneous Office Expenses - Budget for kitchen supplies, etc.

Printing – Due to the State of the Membership Report and other reports are now being professionally printed, there is a major increase in this budget.

Service/Maintenance Equipment - Equipment maintenance contracts and miscellaneous repairs. We expect to replace the color copier before the end of 2018 to reduce the per-copy charge.

Off-site Storage – Budget for off-site file storage. Increase due to more files stored off-site.

Publications/On-line Services – Subscription costs, including Westlaw for Director, Legal Services and the Index Bureau for claims.

CONTRACTUAL SERVICES

Financial Audit – Budget per contract. This is the second year of a five year contract.

Payroll Processing – Annual cost to set up and administer the payroll processing by an outside firm. Services include online timesheets, tax payments, and W2 printing.

Investment Consultant – Fee per contract of \$54,122. The consultant's contract expired at the end of 2015 and was renewed for five more years.

Claims Audit – Claims audit is required every third year and was completed in 2016, so this needs to be budgeted for 2019.

Corporate Legal Services - Early Intervention assignments have been transferred to the loss fund, resulting in a \$15,000 decrease over 2018.

Legislative – This line item does not have a budget for 2019. The lobbyist services were discontinued in 2016.

Unemployment Administration – Budget per contract.

Consulting Services – Strategic planning for 2019.

Actuary Consulting – Budget per contract of \$64,600, plus \$65,000 for the second twelve months of predictive modeling, and \$5,000 for miscellaneous projects. The Predictive Modeling is a three-year commitment.

Third Party Claims Administration – Claim from 1986 that is still being handled by Gallagher Bassett.

Risk Management Consultant – Contract to provide IMAPs, hazard surveys and on-site training.

Property Appraisal Services – Appraisal services for our members.

Strategic Planning – A strategic planning session is scheduled for 2019.

IRMA EDUCATION and INCENTIVES

IRMA Awards Program – Level II Accreditation awards and various plaques and certificates.

Training Materials – Budget for training materials and videos.

IRMA Workshops/Seminars – Regional training, Coffee & Conversation, and Board Meeting supplies.

Police Legal Training – Police Liability Institute program at an annual fee of \$70,400.

Steering Committee Seminars – Speaker fees and refreshments for the seminars.

Accreditation - Budget is based on requests received from members for various grants.

INFORMATION TECHNOLOGY

LAN administrator – Sikich manages the IRMA network and all computer equipment.

Website – complete redesign and maintenance of the IRMA website was completed in 2014, allowing staff easier maintenance of much of the website with minimal cost. The increased cost is due to video streaming.

Hardware and software – Email/Office 365 project; Internet Connection Redundancy; adjuster laptop replacements, GP Dynamics accounting system upgrade, and other items as needed.

Claims software – Budget total of \$119,000, which includes the annual maintenance agreements for the Riskmaster claims system and the litigation management software (LSS), plus moving the software to an environment hosted by DXC and an upgrade to the most current version.

CAPITAL OUTLAY

Office Furniture - Miscellaneous budget for office items.

Equipment/Machines - We anticipate updating some office furniture.

Contingencies - Budget to be used at the Executive Director's discretion.

COMMERCIAL INSURANCE SERVICES

All Risk Property – The premium decreased by 3%, but since the Total Insurable Value increased by 8.35%, the total budget increased by 5%.

Workers Compensation Excess – no increase.

General Liability – Expected increase of \$175,853 includes \$12 million liability coverage for all members in 2019.

Insurance Brokerage – Fee to compensate broker for placing coverages and administering commercial insurance program. The fee remained flat from 2018.

W/C Self-Insurer Funds - Payment to the Industrial Commission's Rate Adjustment and Second Injury Fund. Calculation is based on compensation payments.

W/C Audit Premium – We do not anticipate a Worker's Compensation audit in 2017, so no premium would be due, only an expense item.

SELF-INSURED LOSS FUND

The estimated revenue base is \$1,621,141,347 and the final rate per \$100 of revenue is \$1.801, which calculates out to a loss fund of \$29,198,956, including \$2,200 for the LITH airport buildings. This is a 4.8% decrease over 2018's loss fund amount of \$30,676,433 due to the reduction in the loss fund rate from 1.881 to 1.801 and a 5.4% reduction in the revenue base with the withdrawal of Tinley Park and Westchester.



MEMORANDUM

TO: Training & Risk Management Committee

FROM: Margo Ely, Executive Director
Jennifer Swahlstedt, Risk Management & Training Manager

DATE: October 30, 2018

RE: Training and Risk Management Committee Responsibilities

Action Requested: The purpose of this memorandum is to provide an outline for discussion of the new Statement of Responsibility for the 2019 implementation of Training and Risk Management Committee.

Background: In the spring of 2018, the TEC, MRC, Executive Board and Full Board approved recommendations to rename the TEC to the Training & Risk Management Committee (TRMC) and expand the committee's role to include additional risk management reports and oversight starting in calendar year 2019.

Discussion: Please find attached a draft proposal for the TRMC Statement of Responsibility. The scope of the committee has been expanded to oversee many of the risk management functions of IRMA, including the loss control evaluations and supplementary programs such as the Safety-First Program. These changes will also lend well to more insightful reports on the state of risk management activities and safety/training initiatives.

Following the numbering of the attachment, below are examples of potential reports the TRMC could expect should these responsibilities be adopted in 2019:

- 1) Report would be generated from the pivot table data for review during the second quarter. This report, in conjunction with the steering committee data reports, will be used to direct training and other program initiatives. This data/reporting could also be used to determine program return on investments (ROIs) as needed. **See Sample Exhibit A**
- 2) Staff recommends enhancing the current quarterly Training and Risk Management Services Reports to provide more information on the administration of services to the membership in addition to providing the evaluation feedback about the instructor or course by replacing the lists with more dynamic reporting, such as adding charts or graphs. **See Sample Exhibit B**
- 3) No recommended change to current processes
- 4) To include not only the review of annual budget for future programming, but quarterly reports which provide snapshot of current program (budget, awards, etc.) **See Sample Exhibit C**
- 5) No recommended change to current processes
- 6) In addition to reviewing new partnerships as they arise, monitoring may include an annual report from organizations to track member interest and usage of discounts/pooled pricing. Data however would be reliant upon the third party administering the discount which may be difficult to obtain.

October 30, 2018

Re: Training and Risk Management Committee Responsibilities

Page 2

- 7) Oversight would include reviewing staff recommendations for revisions as well as quarterly reporting on the state of the membership loss control results. **See Sample Exhibit D**
- 8) Reports as necessary to the committee on status of risk management programs other than Safety First Program and Risk Management Pilot Programs which will be reported quarterly. **See Sample Exhibit E**
- 9) Steering Committee Reports to the TRMC would be consistent with Standing Committee Reports to the Executive Board, providing memos with actionable items for TRMC review.
- 10) No recommended change to current processes
- 11) No recommended change to current processes

Recommendation: Discuss, evaluate and provide feedback on proposed committee responsibilities, then direct staff accordingly.

Training and Risk Management Committee (11/14/18): TRMC approved the new Statement of Responsibility unanimously. TRMC members expressed enthusiasm for the committee's new direction.

Executive Board (11/28/18): EB approved the new Statement of Responsibility for TRMC unanimously.

Attachments: Training & Risk Management Committee Statement of Responsibility Draft
Sample Exhibits A-D

TRAINING & RISK MANAGEMENT COMMITTEE
STATEMENT OF RESPONSIBILITY

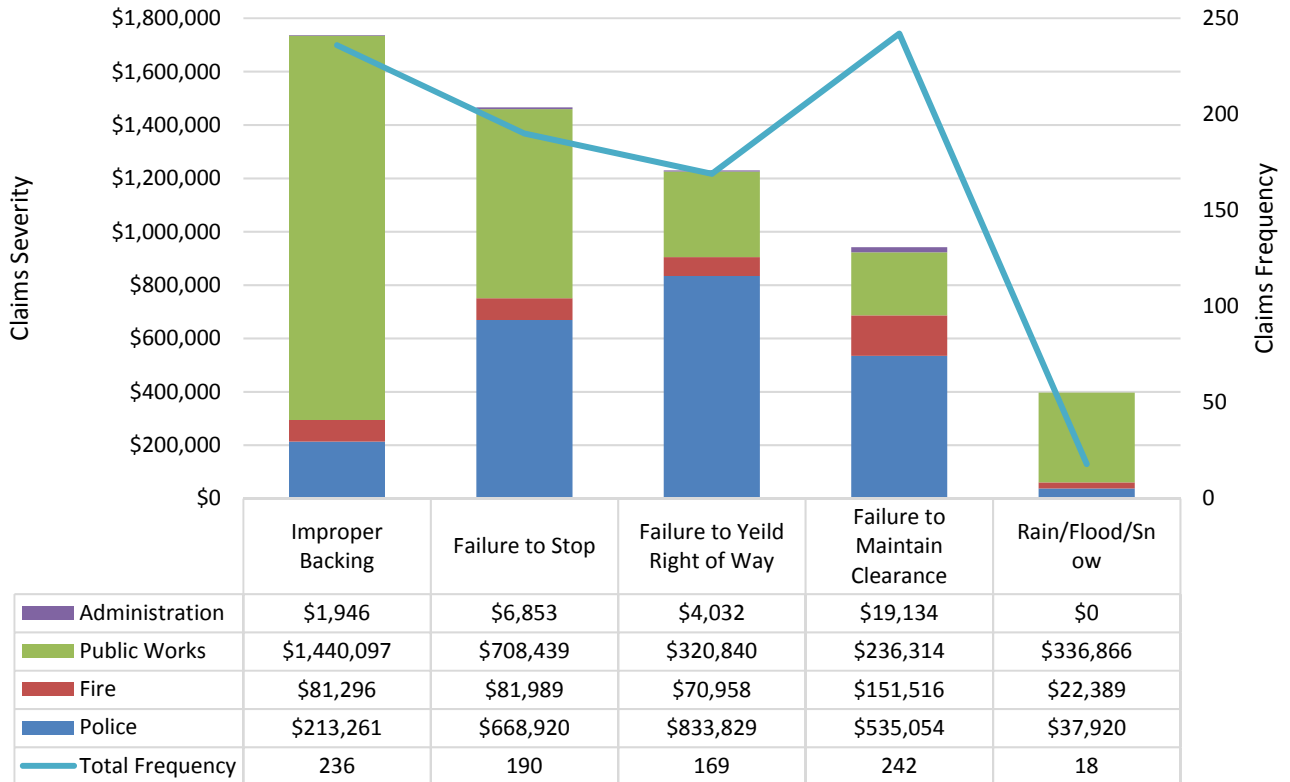
The Training & Risk Management Committee is responsible for the development and oversight of training and other solutions offered to the membership targeted at the mitigation and management of the pool's overall cost of risk.

1. Annual review of membership claims frequency and severity data for risk mitigation analysis
2. Monitor and review the offered annual training and educational programs:
 - Education Summit, Regional/Special Trainings, Coffee & Conversation Workshops
 - Video Library
 - Online Training Programs
 - On-Site Training Programs
3. Review the pricing, registration, cancellation and refund policy, and all other policies related to the responsibilities of managing training and educational programs
4. Review and monitor grants and awards programs
5. Serve as the Appeals Committee for appeals of grant denials based on low participation levels as outlined in the Grant Program Guidelines
6. Review and monitor membership discounts and pooled pricing programs
7. Oversee the IRMA Loss Control Evaluations:
 - IRMA Management Assessment Program (IMAP)
 - IMAP Accreditation Programs
 - Hazard Survey Visits (HSV)
 - Fall Hazard Assessment Visits (HAV)
 - Regulatory Assistance Visit (RAV)
 - Playground Safety Inspections
8. Monitor and review additional risk management programs including Best Practices, Model Guidelines, Regulatory Resource Program, Safety First Program, and Risk Management Pilot Programs
9. Monitor the work/activities of the Steering Committees (i.e., Fire Chiefs, Parks & Recreation Directors, Police Chiefs, Public Works Directors)
10. Annual review and approval of the Committee's portion of the line item budget. The recommended budget will be forwarded for final approval to the Executive Board.
11. Such further responsibilities as may be assigned by the Chair of IRMA.

Frequency/Severity Data: Sample Exhibit A

Annual Reports could contain table or charts of frequency/severity broken down by years, operating departments, claim type and causes. Data can also track progress or ROIs on grant programs.

AL/APD: 2013-2017



The above example indicates these losses are preventable and the following risk mitigation solutions could be implemented:

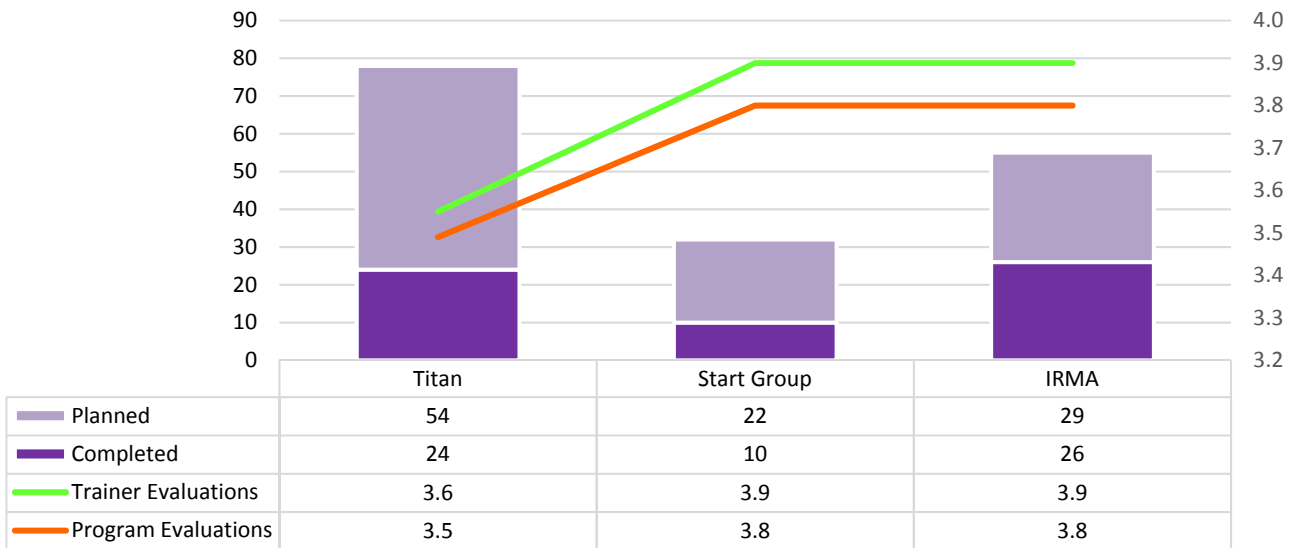
- Vehicle Backing:
 - Grant Opportunity: rear back-up cameras and/or sound warning devices
 - Training: hand-signal & vehicle spotter (new on-site or regional)
- Failure to Stop:
 - Training: Distracted Driver
 - Police: Marketing push to use S:ERVE Online driver simulation training

Training & Risk Management Services Reports: Sample Exhibit B

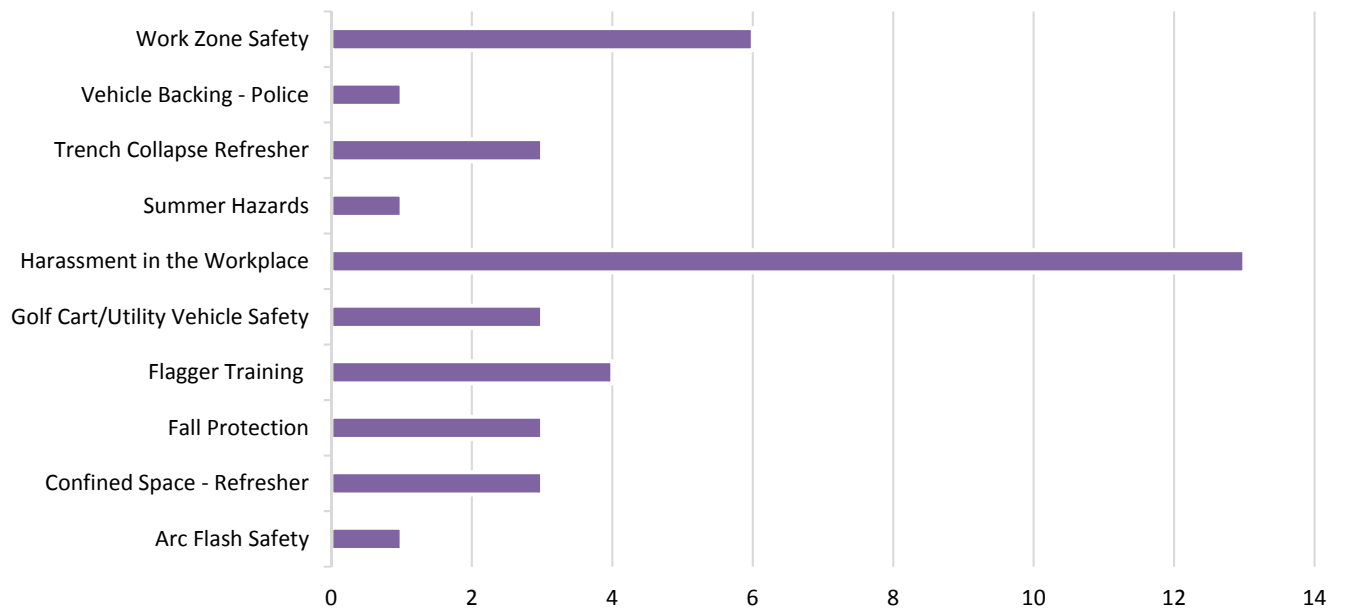
These reports can quantify programs offered and include evaluations, budget monitoring, number of attendees, number of visits, etc.

On-Site Training Report Examples

Second Quarter On-Site Visit Summary

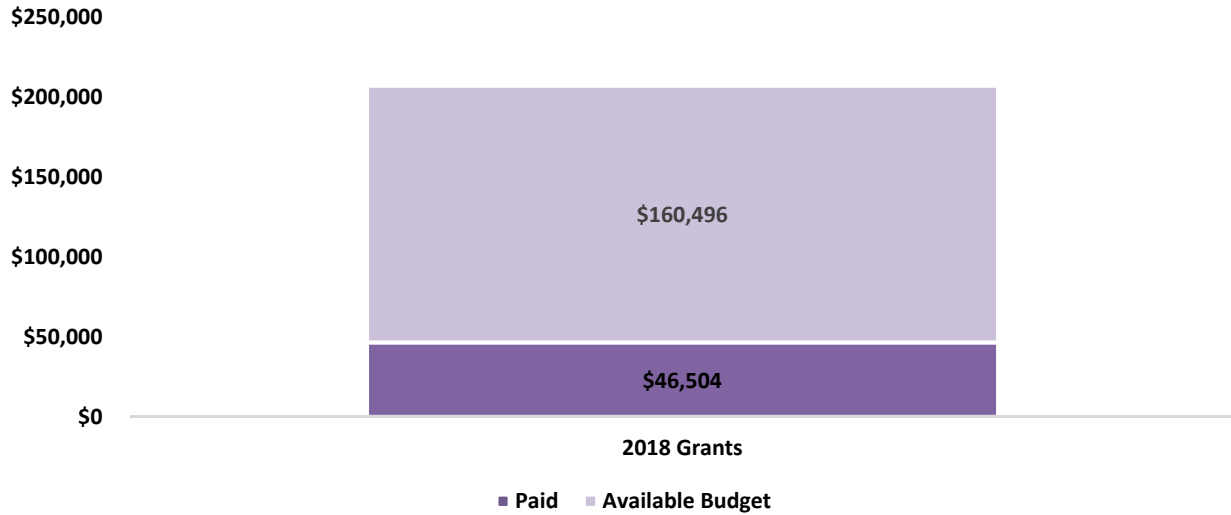


Second Quarter Administered On-Site Trainings

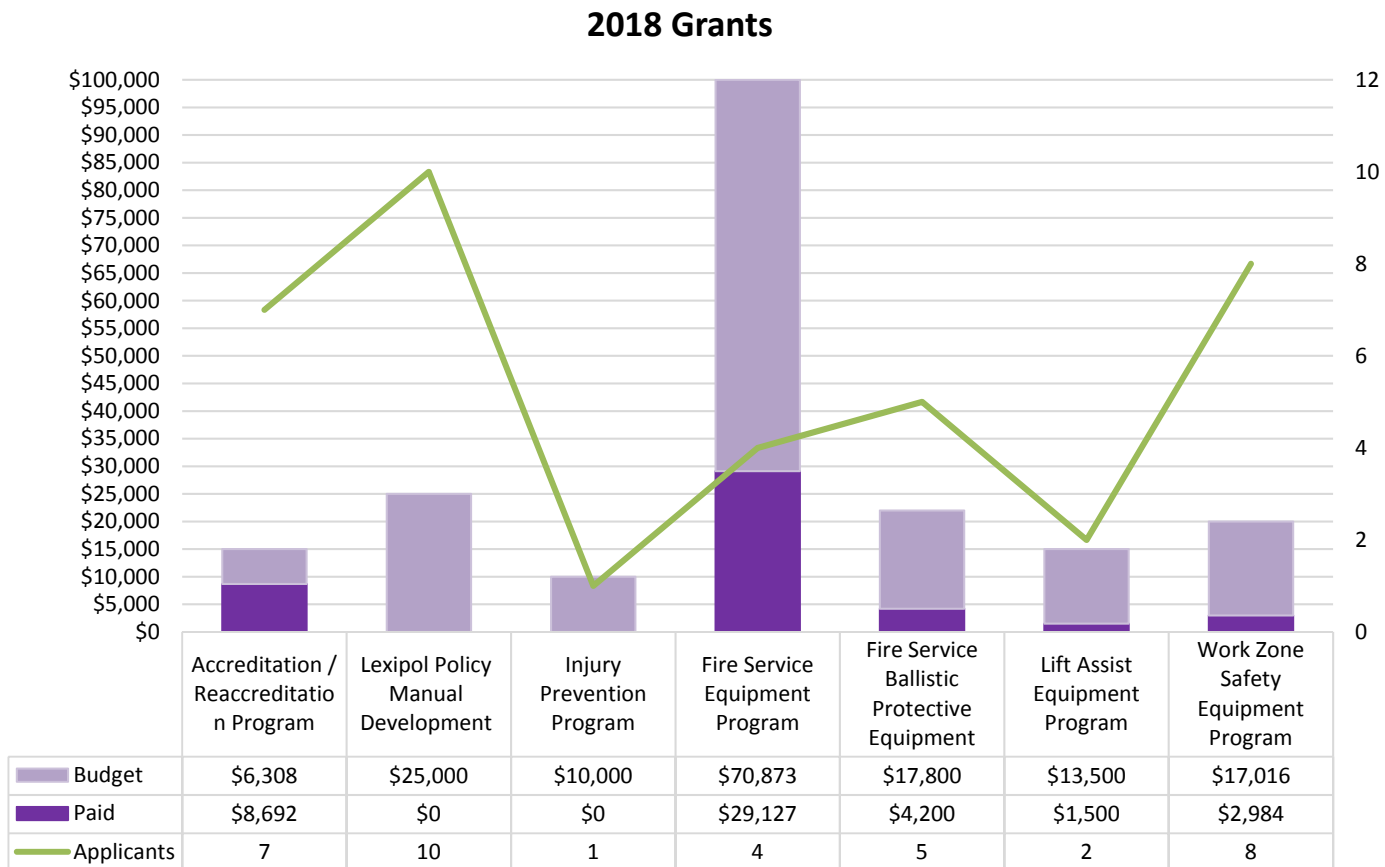


Grant Report: Sample Exhibit C

Quarterly Reports could show budget and applicant data.



*As of June 25, 2018

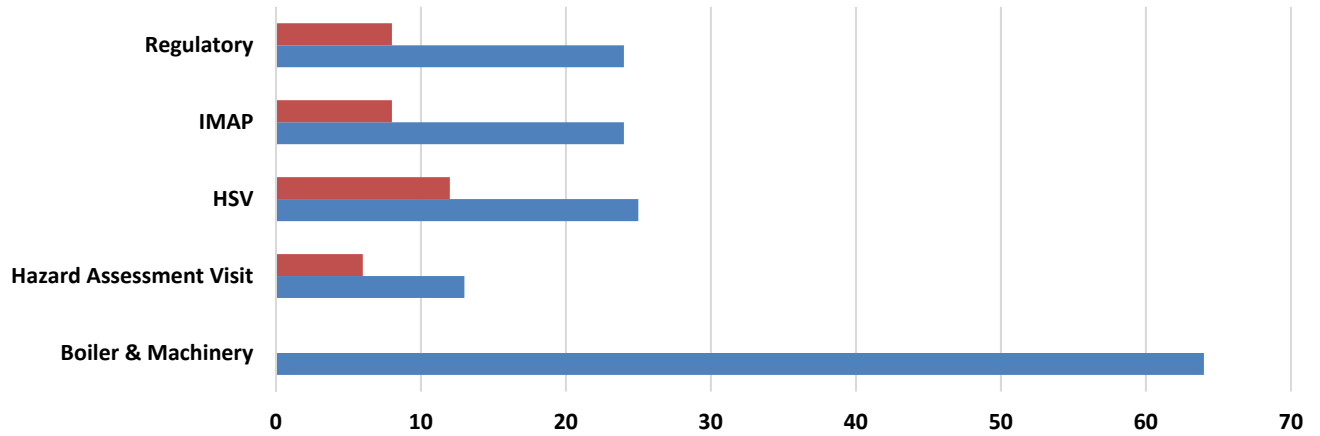


*Fire Service Equipment Grant Applicants represent Tier I only

Loss Control Report: Sample Exhibit D

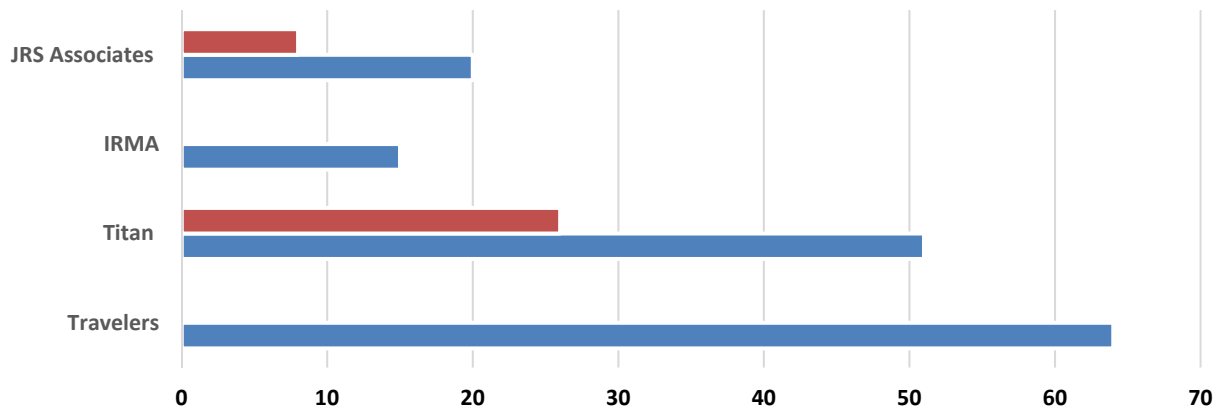
Reports could track loss visits, administrative personnel, member scores, etc.

Second Quarter Loss Control Visit Summary



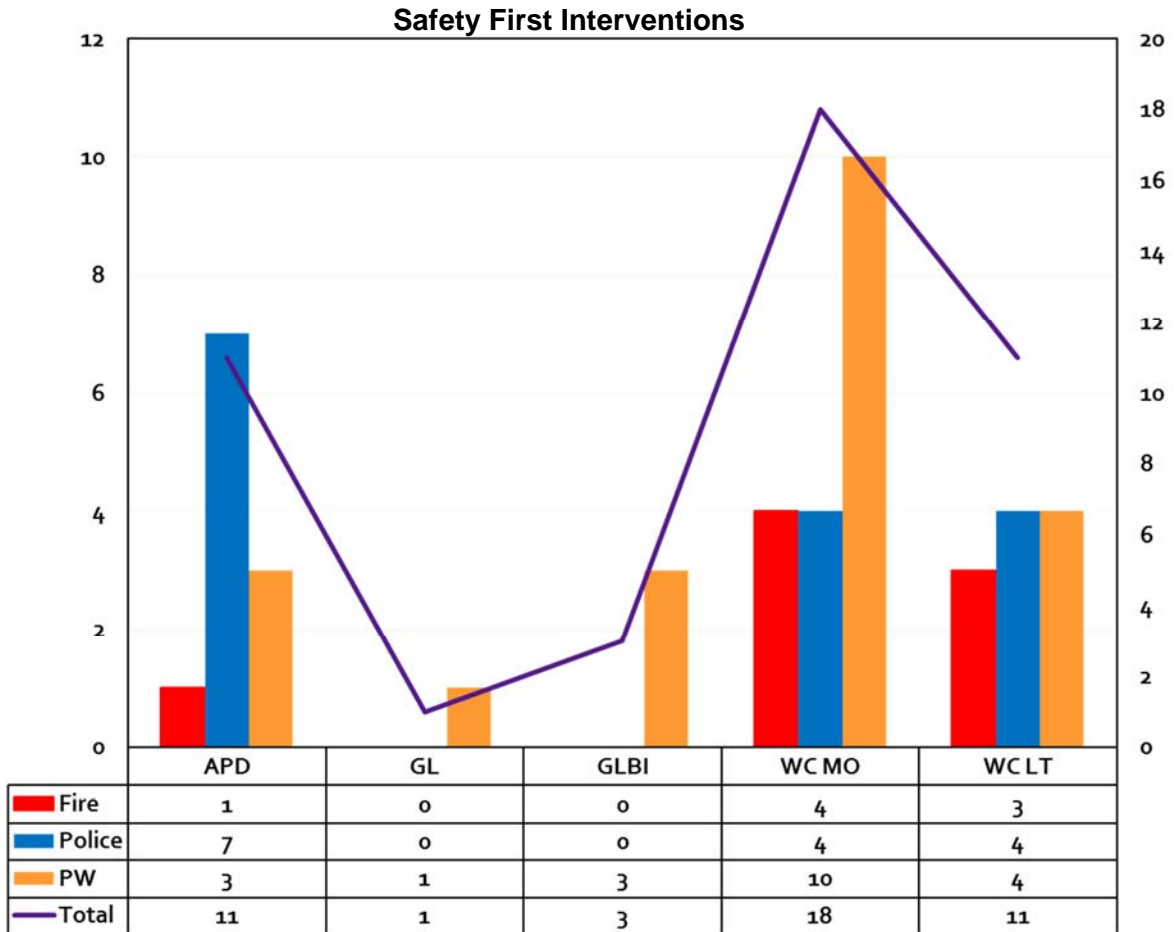
	Boiler & Machinery	Hazard Assessment Visit	HSV	IMAP	Regulatory
Completed	0	6	12	8	8
Planned	64	13	25	24	24

Second Quarter Completed Loss Control Visits

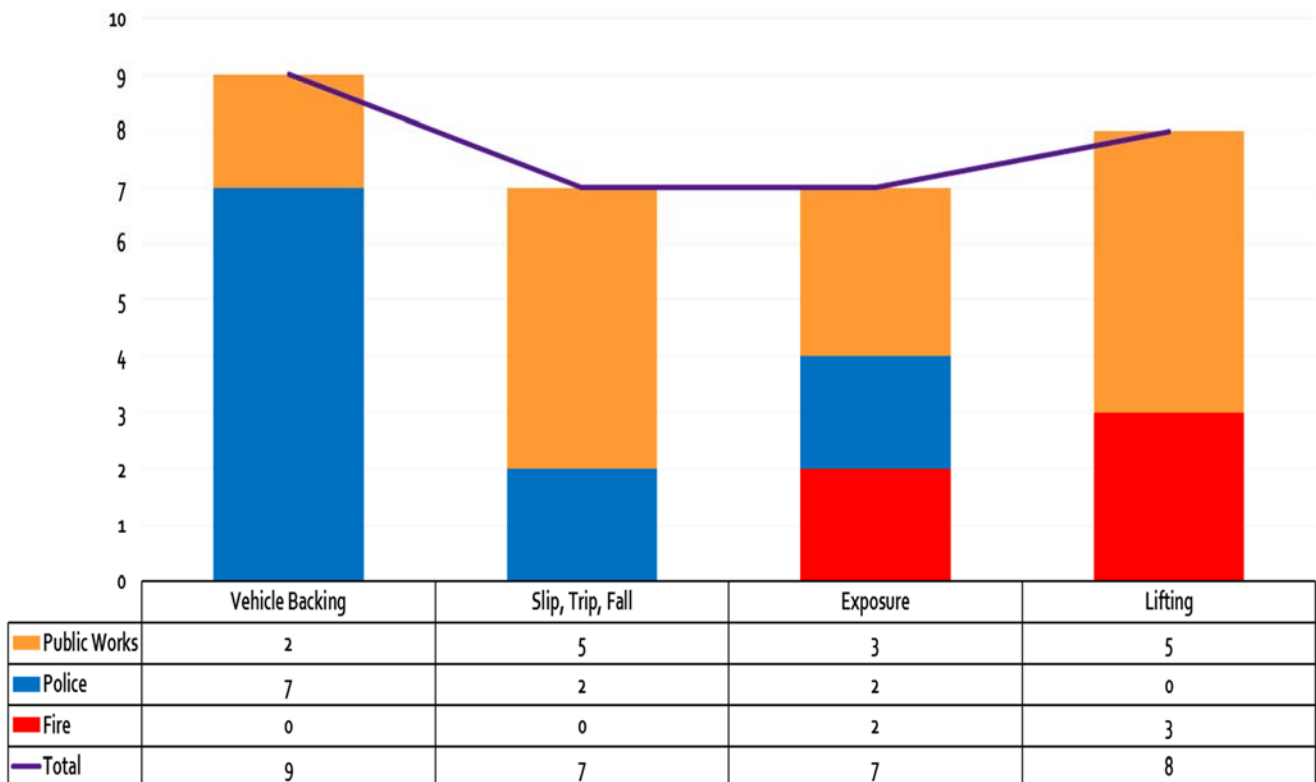


	Travelers	Titan	IRMA	JRS Associates
Completed	0	26	0	8
Planned	64	51	15	20

Safety First Program Report: Sample Exhibit E



Safety First Top 4 Preventable Causes





M E M O R A N D U M

TO: Coverage, Claims & Litigation Committee
FROM: Susan M Garvey, Director of Legal Services
DATE: October 29, 2018
RE: Modification to Uninsured and Underinsured Motorist Coverage

Action Requested: Consider and approve recommended changes to the IRMA Uninsured and Underinsured Motorist Coverage (“UM/UIM”) to reduce the limits from \$500,000 to \$50,000.

Background: UM/UIM coverage is statutorily required in Illinois and is intended to protect against being in an accident where the at-fault driver doesn't carry liability insurance or whose liability limits are too low to cover the damage or medical expenses.

Prior to 2001, IRMA’s UM/UIM limits were \$1 million. It was the intent of the membership at that time to provide the coverage in the event a family member is injured while riding in a member owned vehicle that is hit by an uninsured or underinsured driver. However, in response to concerns raised about member employees being able to essentially recover twice from IRMA – collect both workers’ compensation benefits and UM/UIM benefits - the membership voted to reduce the limits to \$500,000 and include a complete exclusion of coverage for an individual receiving workers’ compensation benefits.

There is legal question as to the validity and enforceability of the complete exclusion of UM/UIM coverage in a workers’ compensation case. Although a recent case found that a workers’ compensation exclusion in an underinsured motorist claim (but not uninsured) was enforceable, other case law indicates that it is not. Staff continues to battle with injured employees’ attorneys on this issue, but we have not yet litigated the issue.

In the past 4 years, there have been 8 cases involving employees who received workers’ compensation benefits and also sought UM/UIM benefits. Of note, there has not been a case involving injury to a member’s family member.

Discussion: The Illinois Vehicle Code (625 ILCS 5/7-601) requires motor vehicles to be insured in minimum amounts of \$25, 000 for bodily injury to any one person, \$50,000 for bodily injury to 2 or more persons and \$20,000 because of injury to property. The Illinois Insurance Code (215 ILCS 5/143a (1) requires vehicles to be insured for UM/UIM coverage at the same minimum limits. However, municipalities are exempt from the provisions of the Illinois Vehicle Code. Pursuant to 625 ILCS 5/7-601(b)(4):

625 ILCS 5/7-601 (b)(4)

(b) The following vehicles are exempt from the requirements of this Section:
* * *

(4) vehicles owned by the United States, the State of Illinois, or any political subdivision, **municipality** (emphasis added) or local mass transit district;”

Additionally, because IRMA is not an insurance company and not subject to the provisions of the Illinois Vehicle or Insurance Code, IRMA and its Members are not required to provide the statutorily required UM/UIM coverage. Because IRMA is in the nature of self-insurance, the membership can establish its own coverage and while not required to, the IRMA membership

has previously included UM/UIM in its coverage program far in excess of the minimum limits required by law.

Claims for UM/UIM by injured employees receiving or having received workers' compensation benefits are routinely denied pursuant to the IRMA coverage exclusion. However, staff continues to battle with injured employee's attorneys regarding the validity of the exclusion for workers' compensation benefits contending that because the membership establishes its own coverage and they are not required to provide UM/UIM coverage, the exclusion for employee's receiving workers' compensation benefits is arguably valid. Obviously, the injured employee's attorney disagrees. The resolution of this question involves litigating a declaratory action, which could be very expensive with no guarantee of success – and not necessary if we revise the coverage. A loss in a declaratory action could result in the entire \$500,000 UM/UIM limit potentially being available to the injured employee – a windfall to the employee who has already received lost wages tax free, all medical bills paid and a lump sum settlement to compensate the employee for the permanency of the injury under the Workers' Compensation Act.

Based upon these fiscal considerations, these types of UM/UIM claims are being considered for settlement with the employees on a "cost of defense" of the declaratory action, rather than risking the more substantial exposure. Consequently, the only individuals potentially benefitting from the UM/UIM coverage are employees who have, or are, receiving workers' compensation benefits - the exact situation the membership intended to avoid.

Staff is recommending that the UM/UIM limits be reduced to \$50,000. IRMA is entitled to a set-off against any uninsured or underinsured payments for workers' compensation benefits paid. With a lower UM/UIM limit and the ability to off-set any UM/UIM benefits to amounts paid in the workers' compensation case, the exposure for UM/UIM coverage is substantially lowered or eliminated as to injured employees, thus removing the windfall to those employees. Of the recent 8 cases, only one of them is reserved under the proposed \$50,000 limit. Even with the reduced limits there is still coverage available for member's family members in the event of an incident while in a member vehicle.

With IRMA's increased focus on marketing and recruitment, there have been a number of coverage comparisons between IRMA coverage and competitor's coverage. Those comparisons show that IRMA's competitor's UM/UIM coverage is excluded, not shown or in minimum limits. As such, this revision will not negatively impact our recruitment efforts. Even with a \$50,000 limit, IRMA is still providing richer coverage.

Recommendation: Approve Staff's recommendation to remove the exclusion for the receipt of workers' compensation benefits and reduce the UM/UIM coverage limits to \$50,000.

Coverage Claims & Litigation Committee (11/8/18): The Committee approved the Action Requested to reduce the UM/UIM Limits from \$500,000 to \$50,000. The exclusion for workers' compensation benefits will remain.

Executive Board 11/28/18: The Executive Board unanimously approved the change to the IRMA Uninsured and Underinsured Motorist Coverage ("UM/UIM") to reduce the limits from \$500,000 to \$50,000.

SMG/ds



MEMORANDUM

TO: Coverage, Claims Litigation Committee

FROM: Margo Ely, Executive Directors
Susan Garvey, Director Legal Services

DATE: October 31, 2018

RE: RFP's for Approved Defense Counsel Panel

Action Requested: Consider and approve the modification to Section 6.06 of the Claims Manual as attached to provide for the consideration of an Approved Defense Panel Counsel RFP process every 7 years as recommended by the Executive Director with the agreement of the Committee.

Background/Discussion: Section 6.06 of the IRMA Claims Manual, Selection Guidelines for IRMA Counsel provides that the Executive Director has the responsibility for the evaluation, selection, assignment and dismissal of Approved Defense Panel Counsel. Section 6.06 also provides for this Committee to monitor the selection of Approved Defense Panel Counsel. While Section 6.06 does lay out parameters for the Executive Director to add or remove counsel from the approved panel, it does not provide for a regular RFP process. IRMA's other professional services such as its actuary, auditor and investment consultant regularly go through an RFP process. Staff receives frequent inquiries from law firms about becoming approved panel counsel for IRMA and having a set RFP process would aid in the transparency of IRMA's process for selection of counsel to IRMA's approved panel. It would also serve as a thorough review and evaluation of current panel counsel and would allow for the evaluation of the qualifications of prospective counsel to identify firms to remain on or be added to IRMA's panel of approved counsel.

Setting a time frame for completing an RFP process needs to include the consideration of the stability and continuity of representation for the members and the effort of IRMA staff in administering litigated claims and approved panel counsel. Currently, there are 5 legal firms that handle litigation of liability claims. If an RFP process is required every 2 to 3 years and there is a change of even just one firm each period, there would be a significant increase in the number of legal firms that staff would have to oversee and supervise. If a current firm is removed from the panel through an RFP, they could remain IRMA counsel on their assigned files for the duration of the files, which could be for more than one year. It is important that the period of time between RFPs be long enough to maintain the continuity of representation for the members and also not overburden the staff's administration of litigated matters.

For all of these reasons, staff recommends that Section 6.06 of the IRMA Claims Manual, Selection Guidelines for IRMA Counsel be modified to provide that a regular RFP process should be considered every 7 years upon recommendation of Staff and as approved by the Committee.

Recommendation: Approve the changes to Section 6.06 of the IRMA Claims Manual to provide for consideration of an RFP process for IRMA Approved Defense Panel Counsel every 7 years as recommended by the Executive Director with the agreement of the Committee.

Memorandum to Coverage, Claims & Litigation Committee
October 31, 2018
Re: RFP's for Approved Defense Counsel Panel
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Coverage, Claims & Litigation Committee (11/8/18): The Committee agreed with Staff's recommendation and approved the change to Section 6.06 of the IRMA Claims Manual to provide for an RFP process for IRMA Approved Defense Panel Counsel every 7 years as recommended by the Executive Director with the agreement of the Committee.

Executive Board 11/28/18: The Executive Board unanimously approved the modification to Section 6.06 of the Claims Manual to provide for consideration of an RFP process for defense counsel every 7 years.

ME/SG/ds
Attachment

SECTION VI

SECTION 6.06

SELECTION GUIDELINES FOR IRMA COUNSEL

I. SELECTION OF IRMA APPROVED PANEL COUNSEL

The Executive Director shall have responsibility for the evaluation, selection, assignment and dismissal of Approved Panel Counsel.

The process for selecting Approved Panel Counsel shall be monitored by the Coverage, Claims & Litigation Committee and shall include the following general guidelines:

- The Executive Director shall report the need to add additional counsel to the Coverage, Claims & Litigation Committee.
- If there is a need to add additional counsel, a report of several prospective law firms will be developed by the Executive Director. The Executive Director will evaluate proposals, conduct interviews as needed, and report the final decision to the committee.
- Every 7 years a RFP process for Approved Panel Counsel shall be considered based upon the recommendation of the Executive Director with the agreement of the Committee.

~~Every two years,~~ On a continuing basis, the Executive Director and Coverage, Claims & Litigation Committee will evaluate the Approved Panel Counsel. If, in the opinion of the Executive Director, a particular defense firm(s) is not in compliance with established standards, the Executive Director shall have the option of either removing the firm from the approved list or placing this firm on a "watch list" which would be a probationary measure allowing the Executive Director to monitor performance on a periodic basis. Whether or not the firm remains or is removed from the Approved Panel Counsel list depends on future compliance with remedial steps recommended by the Executive Director. The Executive Director shall have the overall, primary responsibility to monitor the costs and performance of the claims unit and defense counsel, and the overall responsibility for the coordination of all claims and claims litigation. As the overall policy administrator of IRMA, the Executive Director shall attempt to resolve all disputes between the member, claims unit and defense counsel so as to assure the orderly implementation of the policy and guidelines outlined herein, consistent with the Bylaws and policies of IRMA.

In addition to the selection of Approved Panel Counsel, the Executive Director shall have the responsibility and authority to appoint Special Counsel in certain litigated cases where there is a need for an attorney that is not one of the Approved Panel Counsel. The appointment of Special Counsel shall be reported to the committee at the next regularly scheduled committee meeting. In these circumstances, the qualification of the attorney based on the specific case shall be the primary consideration. Each such Special counsel shall comply with the IRMA Litigation Guidelines.