



**COVERAGE, CLAIMS & LITIGATION COMMITTEE  
Meeting Minutes**

**Thursday, May 7, 2015  
IRMA Office – 9:30 a.m.**

**PRESENT:** Julia Cedillo, Chair  
Eric Ertmoed  
Art Malinowski  
Katy Rush  
Kevin Wachtel  
Michael Braiman  
Dennis Bubenik  
Carol LeBeau  
Kate Andris

**ALSO  
PRESENT:** Margo Ely  
Susan Garvey  
Mary Henzler

**ABSENT:** Sharon Peterson

**I. CALL TO ORDER**

Chair Cedillo called the meeting to order. Roll was taken and a quorum declared.

**II. APPROVAL OF MINUTES – February 5, 2015**

A motion was made by Malinowski and seconded by Rush to approve the Coverage, Claims & Litigation Committee Meeting Minutes of February 5, 2015. A voice vote was called and the motion carried.

**III. CLAIMS & LITIGATION REPORTS**

- A. Claims Operational Report
- B. Litigation Reports
  - 1. New Liability Claims Report
  - 2. Closed Liability Claims Report
  - 3. Litigation Management Report

Cedillo asked whether anyone had any questions/comments on any of the reports. Garvey noted that there has been an increase in the cost of workers' compensation claims and commented that this was expected as we had been down in workers' compensation claim cost for awhile and knew it would come back up.

Ely reported that the firm of DeAno & Scarry was no longer on the IRMA panel counsel, so the Litigation Management Report would no longer reference that firm. Ely added that since claims are down, we would not be replacing them.

#### **IV. DEFENSE OF MUTUAL AID ORGANIZATIONS**

Cedillo stated that the memo on page 8 of the packet provides an overview of the issue. While the language in the intergovernmental agreements for these types of mutual aid associations provides for indemnification between the members in the organization, it does not contemplate what happens if the actual mutual aid association is sued. It's silent as to liability concerns or cost of insurance if the entity is named in a suit. The issue has become more important to IRMA because, while in the past there was the thought that an entity like a mutual aid organization could not be sued because they were not legal entities, we found out in a recent case that this may no longer be the case. IRMA recently defended a case where the judge denied a motion to dismiss a criminal police task force in a wrongful conviction case, finding that the task force may be a suable entity. Cedillo stated that because the intergovernmental agreements that bind these associations don't contemplate these issues, the organizations have little finances available to defend themselves if they are named in a suit. There is no insurance coverage and this is further complicated for IRMA members that may be a member of the task force.

Cedillo noted that there is some information in the memo about the coverage that is provided to members that are included in these task forces or mutual aid arrangements. Cedillo reported that the IRMA staff asserts in the memo that if a mutual aid organization is found to be a suable entity, there needs to be provision for the defense and indemnification of the organization. This is an issue that needs to be studied further in order to identify potential resolutions.

Staff is recommending that a task force of police and fire chiefs and attorneys be created to come up with potential resolutions. After a brief discussion by the committee, the committee concurred with staff's recommendation; however, suggested that the task force be expanded beyond police and fire.

Garvey stated that if anyone had suggestions or thoughts about people to include on the task force, they should pass that information on to her.

#### **V. CLAIMS AUDIT RFP**

Cedillo reported that per the bylaws we have to complete an independent claims audit no less than once every three years. It's that time again to get this done. The audit would be performed in 2016 and staff intends to issue a RFP this summer in order to have a budget number for the preliminary 2016 budget due in the fall of 2015.

Staff would like a few committee members to be part of the interview and selection process. Cedillo asked for volunteers, stating that she would be interested. Eric Ertmoed and Kevin Wachtel also stated interest in helping with the interview and selection process for the Claims Audit. It was suggested that the previous RFP and claims audit report be shared with those from the committee who volunteered.

#### **VI. LITIGATION SUCCESSES**

Cedillo reported that for information only this memo highlights litigation successes since the last meeting.

**VII. EXECUTIVE SESSION**

A motion was made by Malinowski and seconded by Ertmoed to move into Executive Session. Henzler called the roll and the motion carried.

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Back in regular session, a motion was made by Wachtel and seconded by Braiman to approve the Executive Session Minutes of February 5, 2015. A voice vote was called and the motion carried.

**VIII. ADDITIONS TO AGENDA**

There were no additions to the agenda.

**IX. CONFIRMATION OF NEXT MEETING**

Cedillo stated that the next Coverage, Claims & Litigation Committee meeting is scheduled for Thursday, September 17, at 9:30 a.m. at the IRMA office.

**X. ADJOURNMENT**

A motion was made by Rush and seconded by Malinowski to adjourn the meeting. A voice vote was called and the motion carried.

Submitted by:

Accepted by:

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Susan Garvey  
Director of Legal Services

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Julia Cedillo  
Chair, Coverage, Claims & Litigation  
Committee