MISSOURI INTERGOVERNMENTAL RISK MANAGEMENT ASSOCIATION
ANNUAL BUSINESS MEETING OF THE GENERAL MEMBERSHIP
THURSDAY, JULY 30, 2015

MINUTES

GENERAL AND ATTENDANCE

The Annual Business Meeting of the General Membership of the Missouri Intergovernmental Risk Management Association was held on the above date at Tan-Tar-A Resort, Osage Beach, Missouri, during the course of the Annual Meeting of the General Membership. Those in attendance were as follows:

Official Representatives

Chris Cassaday - Bel-Nor
Chuck Wood - Clarence
Marilyn Fiddler - Malden
Cindy Simpson - Trenton
David Dews - De Soto
Linda Mallernee - Mountain Grove
Leslie Houk - Seymour
Mark Wallace - Hermann
Susan Sigman - Cabool
Maribeth Matney - Carl Junction
Deena Parsons - Palmyra
Amy Edwards - Platte City
Derek Brown - Albany
Ashtin Paris - Rock Port
Becky Jones - Tarkio
Bob Doerr - Bellefontaine Neighbors
Greg Hodge - Moberly
Kim Barfield - Pacific
J.J. Wiseman - Jackson
Peggy S. Porter - Ava
Phillip Shatzer - Paris
Renee Keaton - Licking
Karen Chapman - New Madrid
Debbie Hopke - Vandalia
Barb Beckett - Winchester
Jan Hagler - Bethany
Millie Powell - New London
Jill Rickman - Kennett
Mark Hickerson - Hannibal
Melissa O'Bannon - Madison
Brian Crane - Holts Summit
Tony Stonecypher - Gallatin
Jerry Sorte - Fulton

Official Representatives (cont.)

Zach McLeland - Macon
Travis Dierker - St. Clair
Amy Strough - Maryville
Terry Raymond - Stanberry
Scott Schaefer - Woodson Terrace
Russell Griffith - Slater
Beverly Hicks - Willow Springs
Sheila Matlock - Mansfield
Jeanette Yount - Arnold
Lee Barker - Higginsville
Russell Rost - Union
Steve Roth - New Haven
Kent Edge - West Plains
Jennifer Schmidt - Tipton

Alternate Representatives

Rick O'Halloran - Chillicothe
Chuck Smith - Seymour
Barbara Crayne - Malden
Don Huff - Perry
Rosetta Marsh - Trenton
Steve Lawver - Carl Junction
Debbie Webster - Huntsville
Tim Barnes - Palmyra
Steffanie Rogers - Rolla
La Trisha Crist - Canton
Jeanette Dobson - Higginsville
Bruce Lundy - Savannah
Kristin Straatmann - Union
Jo Anne Smiley - Clarksville
Scott Lindsey - Licking
Angelica N. Vance - Hannibal
Sherri Cromer - West Plains
Mike Wake - Mountain View
Annissa Brandon - Mound City
Diane Risner - Kennett
Kathy Trentmann - New Haven
Dennis Klusmeyer - Shelbina
Lillian Eunice - Northwoods
Greg Stratman - Richland
Stephanie Wilson - Macon

Other Representatives

Dennis Roberts - Rolla
Greg Coats - Lamar
Jim Urfer - Higginsville
Mike Livengood - Union
Tim Lewis - Festus
Jessica Tabbert - Trenton
Donny Hopkins - Moscow Mills
Carl W. Mitchell - Platte City
Ted Bellers - Malden
Paul Kampmann - Union
Harold Lampkin - Union
Brooke Bell - Savannah
Brian Chaplin - Hannibal
Ronnie Lyons - Malden
Ashley Baudendistel - Fredericktown
Shawn Smith - Higginsville
Alan Winders - Vandalia
Ivone Smith - Malden
Bill Conger - Kahoka
Rev. Everett Thomas - Northwoods
Heather Filley - Pacific
Roger Wheeler - Kennett
Donna Tracy - Unionville
Allen Brinkman - West Plains
Don Trigg - Higginsville
Johnny Dennis - Kennett
Beverly Stewart - Hannibal
Chrissy Hagan - Hannibal
Michael King - Thayer
Stephen Clark - Thayer
Jeremy Ihler - Bellefontaine Neighbors
Susan Watkins - Rolla
Alan Gustin - Platte City
Harold Selby - St. James
E.G. Shields, Jr. - Hanley Hills
Annette Harrison - Hanley Hills
Kim Rusan - Hanley Hills
Tom Parker - Rolla
Earl Heitzenroeder - Northwoods
Leonard Smith - Northwoods
Tiffany Burton - St. Clair
Gary Chambers - Country Club
Vicky McLeland - Macon
Andy Dorian - Hannibal
Randy Carter - Kennett
Ike Holland - Chillicothe

Other Representatives (cont.)

Marsha Asberry - Willow Springs
Gayle Waldron - Macon
Heather Keith - Union
Jonita Copeland - Union
Kevin Arand - Union
Mary Lou Craigg - Macon
Norman Brune - Union

MIRMA Staff

Matthew Brodersen - Executive Director
Ray Lentz - Claims and Litigation Director
Patrick Bonnot - Loss Control and Member Services Director
Jeff Arp - Loss Control Specialist
Kelly Beets - Senior Loss Control Consultant
Terri Crane - Finance Assistant
Jenne Auck - Finance Director
Gina Viertel - Senior Workers' Compensation Adjuster
Susan Cannady - Claims Administrator

Guests

Georgia Holtz - Neosho
Troy Royer - Neosho
Daphne Pevahouse - Neosho
Marline Faherty - Fair Grove
Don Enke - Safety National

BUSINESS

Item #1:

Introduction of the MIRMA Board of Directors, staff and guests was made by the Vice-Chairman of the Board.

Item #2:

Election of Directors to serve on the Board of Directors was brought before the General Membership. The Vice-Chairman of the Board stated that those members whose terms were expiring are Rodney Bourne of Rolla, Jennifer Schmidt of Tipton and Jeanette Yount of Arnold. The Vice-Chairman explained that there is also a fourth position available on the Board due to the resignation of a member that has taken a new job position. He explained that therefore, the membership will be asked to vote for four nominees, with the person receiving the fourth highest number of votes, filling the remaining term of the resigned position, which is one year.

The Vice-Chairman of the Board then introduced each nominee and stated that short biographies of each of the candidates were included in the binder handed out to all attendees when they registered. Those nominees are: Rodney Bourne of Rolla, Debbie Hopke of Vandalia, Jill Rickman of Kennett, Steve Roth of New Haven, Jennifer Schmidt of Tipton, Jerry Sorte of Fulton, J.J. Wiseman of Jackson and Jeanette Yount of Arnold.

There was a call for nominations from the floor, and there were none. Ballots were handed out to member representatives by roll-call. Representatives were instructed to vote for four nominees. Ballots were then collected by the MIRMA staff to be tallied with announcement of the results to take place later in the Business Meeting.

Item #3:

Member recognition for Loss Prevention and Loss Experience Accomplishments was brought before the General Membership, as well as Police Department 100% Training Awards.

Patrick Bonnot, Loss Control and Member Services Director announced the presentations. Jeff Arp, Loss Control Specialist and Kelly Beets, Senior Loss Control Consultant presented plaques to the members.

Mr. Bonnot stated that first MIRMA would like to recognize those members whose police departments have a 100% participation in the online training provided through membership in MIRMA. He stated that these departments had all of their full time officers complete each of the twelve monthly lessons during the past year. Those Cities are: Arnold, Bellefontaine Neighbors, Bel-Nor, Cabool, Clarence, Country Club, Fredericktown, Gallatin, Hermann, Higginsville, Kennett, Lamar, Licking, Malden, Mansfield, Mound City, Mountain Grove, New Haven, New London, New Madrid, Palmyra, Perry, Rolla, Savannah, St. James, Union, West Plains and Willow Springs. Plaques were presented to a representative from each of these Cities.

Three plaques were presented to members with the most improved score on their Loss Prevention Evaluations. Those went to the City of New London, with an increase of ten points in score; the City of Kennett with an increase of nine points in score; and the City of Vandalia, with an eight point increase in score.

Plaques were then presented to the members with the best Loss Prevention Evaluation Scores, each of them scoring 100%. Those members were the Cities of Ava, De Soto, Hannibal and Hannibal Utilities, Hermann, Higginsville, Kennett Utilities, Rock Port, Rolla Utilities, Union, Vandalia and Woodson Terrace.

With regard to Best Loss Experience, plaques were presented in this category to the top five member Cities of Licking, Albany, Hanley Hills, Mansfield and number one, Winchester.

Item #4:

A Report on the State of the Association was presented by Matthew Brodersen, Executive Director. Mr. Brodersen began by saying that the Association has had a great year and that he would be reviewing the healthy fund balance, rate stability, coverage enhancements and restrictions, and our future health.

The Executive Director began with coverage enhancements for the upcoming year. These include a group purchase of cyber and privacy liability coverage; business income coverage on property (loss of revenue due to a property loss); coverage for retired police officer qualification; liability coverage for bicycle pump tracks and for staffed combination skate board and bicycle parks; liability limit increases for sovereign immunity claims; amended EPLI deductible amounts to eliminate the highest level of $50,000; coverage for debris removal considered outside of the 120% scheduled value limit; workers' compensation coverage when traveling on private aircraft; liability coverage for overland flooding (inverse condemnation); and coverage for damage to property caused by a riot. He stated that some of these enhancements were at the

request of the membership.

Mr. Brodersen also reviewed that an added $15 million per member sublimit on earthquake coverage has been established. He stated that this makes coverage more readily available to all members and not just those near the New Madrid fault line. He stated that this is an increase for most members, but a decrease for two. He stated that in the case of such an event there should be FEMA and SEMA funds available for those members.

Some new coverage restrictions were reviewed. The Executive Director stated that an exclusion has been included for firearms competitions among law enforcement agencies, but does not affect qualifying; liability arising from unmanned bounce houses at city events has been excluded; and wrestling has been added to the list of high risk sports that are excluded.

The Executive Director then discussed a coverage consideration that has resulted from a complicated claim MIRMA received this past year. He stated that this claim involved a wrongful incarceration and the dates that apply span 25 years, presenting an issue as to how coverage would apply. During this process it was discovered that 46 members have a reduced general liability limit of $1 million from 1991-1996, with coverage since that time at the correct limits. He stated that during that time MIRMA's excess coverage was with Sphere Drake and when they were replaced in 1996 MIRMA purchased retroactive coverage to 1985 for E&O coverage, but not General Liability. He stated that during that time period, MIRMA's coverage packet considered wrongful incarceration claims as E&O, but that the excess policy considered them as General Liability. At that time, the excess policy controlled the covered. When MIRMA moved from excess insurance to reinsurance in 2010, this was changed and the coverage packet now controls coverage.

He explained that the first $1 million of coverage through MIRMA is intact. For most of the claims that could be affected the statute of limitations has expired. However, a child that was younger than four in 1996 could still submit a claim, and wrongful incarceration suits begin at the release date. Coverage can be purchased for that time period and that will be discussed at the Board of Directors Meeting today. He stated that a questionnaire will have to be answered by the affected members, and based on those responses a cost of the coverage purchase will be provided.

With regard to legislation, the Executive Director stated that a matter may come up regarding the burden of proof on employment liability claims. He stated that the Missouri law regarding burden of proof does not mirror the federal law, with a lower standard of "contributing factor" vs. "motivating factor". He explained that changing this burden of proof has passed the legislature twice, but been vetoed by the Governor. However, with the recent Supreme Court decision regarding gay marriage, the Governor has given an executive order instructing the state to follow the new law, as well as a call to pass changes to the discrimination law. The Executive Director stated that this might be a time for compromise, whereby there would be more protected classes in exchange for the higher standard of "motivating factor" being passed into law and signed by the Governor. He stated that MIRMA's position on this issue would be discussed at the Board of Directors Meeting later today.

A graph of the history of the rate per $100 was presented for the last ten years. The Executive Director stated that there has only been an increase of $0.12 per $100 in the rate over the last ten years, which is quite stable. He also presented a graph of the fund balance history from 2007 through 2015 showing the significant increase.

The Executive Director stated that there was no growth in membership during the past year, but six new members were added the prior year. He stated that guests from the potential member Cities of Ashland, Fair Grove and Neosho were invited to attend the Annual Meeting. He stated that MIRMA's biggest competition continues to be local agents. He then stated that the average length of membership in MIRMA is currently 21 years. He further noted that 7 of the 8 original founding members are still with the Association.

Mr. Brodersen then reviewed new services that are being provided by MIRMA. He stated that online

training is being expanded beyond law enforcement to include safety and human resources topics for all departments; that the funding for the Risk Management Awards Program (safety grants) has been increased from $150,000 to $200,000; that the first ten months of the First Nurse program has been completed, with an estimated net savings of almost $100,000; and that a Health Committee has been formed to investigate methods that MIRMA could use to help members with health coverage. He stated that a presentation will take place later today regarding the Committee findings and recommendations, and will be further discussed at the Board of Directors Meeting following.

At this time the Executive Director took a moment to recognize Alan Winders of Vandalia, for eight years of service to the Board of Directors and for serving as Chairman of the Board. Mr. Winders is leaving his position with the City and the Board. Mr. Winders was presented with a plaque and gift card.

Heath Pickerill with Missouri LTAP presented certificates and jackets to Patrick Bonnot, Loss Control and Member Services Director, Jeff Arp, Loss Control Specialist and Kelly Beets, Senior Loss Control Consultant for achieving the Roads Scholar Program Level One certification. He stated that achieving this level entails three core classes along with five elective courses related to communication skills and safety in a number of areas.

The Vice-Chairman of the Board then presented Matthew Brodersen, Executive Director with a plaque in recognition of 20 years of service to MIRMA in three different positions.

Item #5:

Announcement of election results was brought before the membership. The Vice-Chairman of the Board presented the results. He stated that the following persons received the top three numbers of votes and are thereby elected to serve three year terms on the Board of Directors: Rodney Bourne of Rolla, Jennifer Schmidt of Tipton and Jeanette Yount of Arnold. He stated that J.J. Wiseman of Jackson received the next highest number of votes and is thereby elected to fill the remainder of the vacant Board position for one year.

CONCLUSION

With no further items of business to come before the General Membership, the Annual Business Meeting was adjourned.

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Chairman of the Board

ATTEST:

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Secretary