



40th Anniversary

Town Hall

What I wish every member knew.

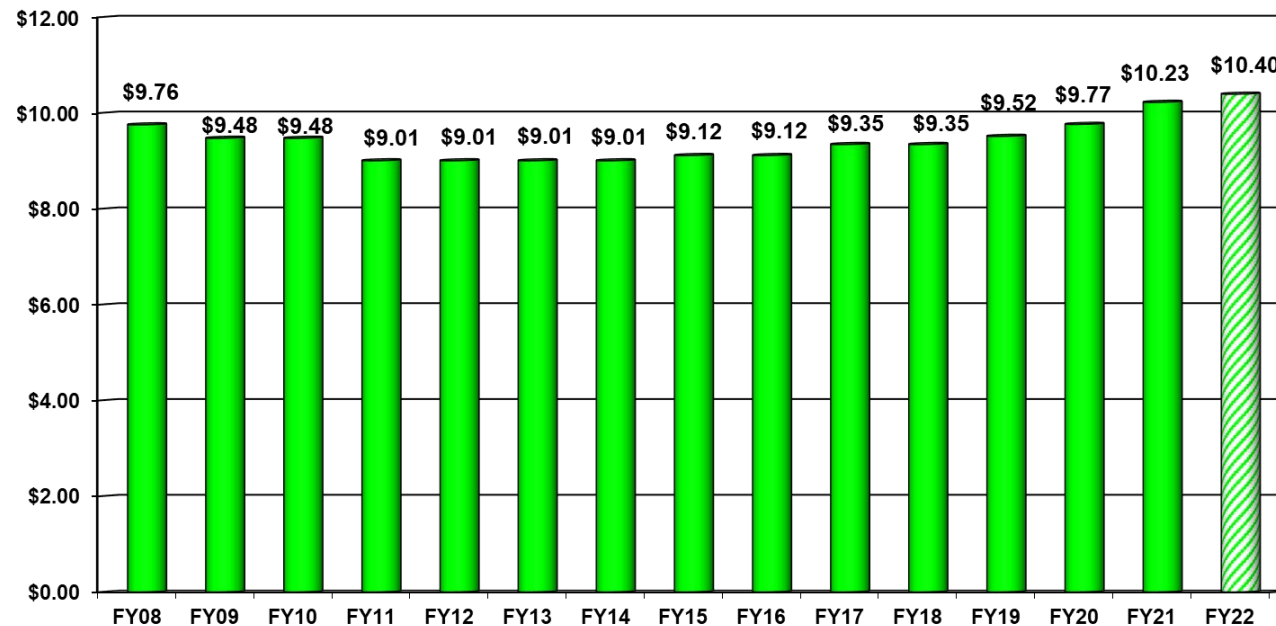
Matthew Brodersen
Executive Director

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573-817-2554 (Office)

573-819-0438 (Cell)

- Stability: one of the premises behind MIRMA. We formed in 1981 when commercial insurance was not available to municipalities in Missouri and nation wide. Through pooling we are always competitive and, in most years, MIRMA is by far the most economical choice.



Services: Membership includes a wide range of services at no additional cost

- An average of 6.04 on-sight Loss control visits per year intended to help your departments manage their own exposures.
- Annual on-sight Judgmental Use of Force Training with the police department. Each of your police officers are trained individually on voice commands and the proper use of force.
- Online Legal training to keep police current with changes in state and federal laws, such as search and seizure, racial profiling and constitutional rights. over 12 hours of P.O.S.T. approved continuing education units is available annually to each officer.
- The Awards program provides MIRMA Members up to 75% funding on essential equipment such as police in-car cameras, trench boxes, sewer cameras, power crimpers and numerous other items.
- Access to the Employment Helpline, which allows Members to speak directly to a Missouri attorney who specializes in employment practices litigation and human resources. This also earns a \$5,000 deductible reduction.
- All Employment Liability settlements must be approved by the Member's City Council.
- Direct access to MIRMA's in-house adjusters.
- MPCCF/CALEA Police Accreditation reimbursement - 50%/\$2,500
- MO LTAP reimbursement.
- APPA RP3 reimbursement.
- Aquatic risk management audit and lifeguard instructor reimbursement.
- On-line claims access and reporting.
- Access to MIRMA's On-line Learning courses and training library.
- First Nurse program which allows injured workers to call a Nurse 24/365 for instructions on the proper treatment of workers' compensation injuries.



**IN EVENT OF WORK INJURY,
CALL IMMEDIATELY.**

**FIRSTNURSE
844-229-8555**

24-HOURS A DAY, 7-DAYS A WEEK AND HOLIDAYS.

REMEMBER: All injuries should be immediately reported to your supervisor. All injuries requiring medical care should be reported to FirstNurse before seeking treatment.

Pharmacy Inquires

Mitchell Script Advisor
ID: SSN+DOI (xxxxxxxxMMDDYY)
Group: IPS001050TC
Bin: 004410
PCN: SCI
Customer Service: 866-846-9279

FIRSTNURSE
a product of CCM

Fixed Costs:

- No additional premiums are collected during the course of the year for adding employees, increases in payroll, acquiring new property* or adding new vehicles.
*(exception is new property with a replacement cost greater than \$10,000,000)
- Most commercial work comp carriers send auditors to review your books and collect additional premium at the end of each year.
- Since we use the previous year's payroll, all we require is that you give us the correct figure, and have your independent auditor verify that it was correct.

Convenience:

- MIRMA provides the majority of the coverages a Member City requires all in one package. There is no need to interact with numerous insurers and be concerned about gaps in coverage. MIRMA staff exists solely to serve the Membership and is readily available on the phone or in person. Also, MIRMA does not require members to submit and update lists of drivers.
- The only exception is bonds. For positions required to be bonded by state statute you must purchase a bond locally. However, we do provide \$100,000 of employee theft with \$0 deductible.

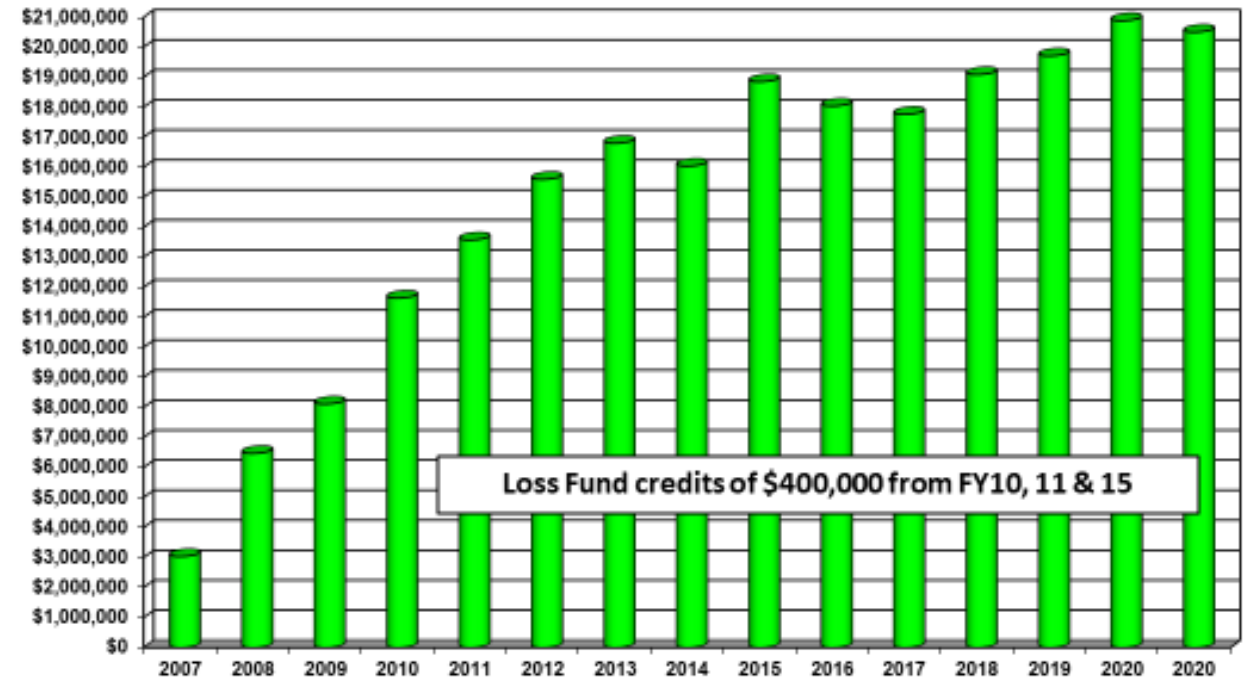
Control:

- MIRMA is a nonprofit association owned by our Members and governed by our Board of Directors, who are elected by and from the Membership.
- Disputes can be settled either through communication with the Executive Director or by taking the grievance to the Board.
- Our coverages are modified each year to fit the needs of the Members - Solar Farms, Artificial Turf & SAM.

Vested:

- Unused reserves, and interest from those reserves, are returned as assessment credits to all Members who participated in the policy year the reserves are from.
- We returned \$400,000 of surplus to the membership in FY22, and returned \$1,000,000 in both FY21 and FY20.

Fund Balance History



Our independent actuary determined MIRMA's optimal surplus fund balance to be \$18.5-\$22.5M

Bidding:

- MIRMA members are not subject to competitive bidding per state statute 537.620. <http://www.moga.mo.gov/statutes/C500-599/5370000620.HTM> So the decision of if or how often to bid is entirely yours.
- To provide members more flexibility, five years ago we moved the notice of membership termination from January 30th to March 31st (notice is to leave, not that you intend to go out for bid).
- If you obtain bids or estimates, it doesn't need to be uncomfortable.
- MIRMA has developed sample bid specs for use when seeking bids.

Assessments:

- In January members submit their renewal questionnaires.
- Once we know who will be in the following year we calculate:
 - Our administrative budget
 - Our reinsurance costs
 - Our expected losses for the upcoming year
- \$17,798,909

\$17,798,909

- Number of employees?
- Number of parks?
- Number of water or electric meters?
- Miles of street?
- Number of elected officials?
- Population?
- Number of cats inside city limits?
- Payroll \$171,044,298
- $\$17,798,909 / \$171,044,298 = \$10.40$ per hundred

Property Adjustment

- Compares each member's total property to payroll ratio to the membership's average.
- Those members with more property than average have an additional debit that equals \$1.02 per \$1,000 of value above the average.
- Those members with less property than average receive a credit that equals \$1.02 per \$1,000 of value below the average.
- This typically impacts utilities the most.
- This is revenue neutral on the Association

The loss experience adjustment

- The rate per hundred is then modified by each member's individual loss experience.
- We look at the most recent three completed coverage years, as of March 31st
 - 7/1/2019-6/30/2020
 - 7/1/2018-6/30/2019
 - 7/1/2017-6/30/2018
- Large losses are capped at \$100,000
- Max 30% increase (debit) or Max 25% decrease (credit).
- Credits are the prorated share of all debits collected.
- This is revenue neutral on the Association.

Loss prevention adjustment

- Members that score below 80 pay in an additional debit
 - 70-79 = 10%
 - 60-69 = 20%
 - Below 60 = 30% and placed on probation.
- Members that score above 90 receive a credit, which is a prorated amount of any debits collected. Each percent above 90 gets a slightly larger credit.
- The average score is 94%
- Only one member was below 80 this year and none were the previous two years.
- A new member's first evaluation is a practice.
- This is revenue neutral to MIRMA.

Less common adjustments

- Police training debit or credit
 - Debit equal to 5% of your gross assessment for falling below 80% on the online training.
- Payroll Verification credit
 - If you overreported payroll the previous year you get a credit back.
- Both these are revenue neutral for the Association.

Loss fund credits

- A few years after the statute of limitations to file most claims has occurred, we start to return unused funds to the membership in the form of loss fund credits.
- This usually starts around year 7 and may take 3 -4 years to return all the funds from a given coverage year.
- This year the Board returned \$400,000 of surplus to the members from FY10, FY11 & FY15
- It is returned to only our current members, who were members in those years.

Please ask questions.

- Jenne Auck - Finance Director - 15 years with MIRMA
- Patrick Bonnot - Loss Control and Member Services Director – 10 years
 - Glenn Price - Claims and Litigation Director - 5 years