

**MINUTES  
OF  
THE MIAMI VALLEY RISK MANAGEMENT ASSOCIATION  
BOARD MEETING**

March 21, 2022

**Time and Location**

Home2Suites, Centerville, Ohio. The meeting began at 9:32 AM.

The following trustees and alternate trustees were present when the meeting was called to order: Bill Kucera, Beavercreek; Melissa Jones, Bellbrook, Sherry Poppe, Blue Ash; Barb McCormick, Englewood; Jacob Burton, Fairfield; Jessica Chaney, Indian Hill; Nancy Gregory, Kettering; Mary Mueller, Mason; Emily Christian, Miamisburg; John Crowell, Katie Smiddy, Montgomery; Renee Dulaney, Sidney; Brian Uhl, Springdale; John Green, Tipp City; Sue Knight, Troy; Dan Wendt, Vandalia; Tom Reilly, West Carrollton; Greg Muenchen, Wilmington. The following guests were in attendance: Justin Swarbrick, Alliant Insurance Services, David Shaver and Edward Dowd, Surdyk, Dowd, and Turner, MVRMA staff in attendance were Tom Judy, Starr Markworth, Sandy Caudill.

The following arrived between approximately 9:34 and 9:37 AM: Tyler Roark, Centerville and Rusty Herzog, Wyoming.

**Consent Agenda Approval**

Motion by Mr. Muenchen seconded by Mr. Crowell to approve the Consent Agenda. Motion carried.

**Fiduciary Duties**

Edward Dowd with Surdyk, Dowd and Turner gave a presentation on the board members' fiduciary duties.

**Risk Management Committee Report**

Mr. Swarbrick provided an update on cyber liability insurance. He indicated that claims 5 years ago averaged about \$10,000 to \$15,000. Now claims are over \$200,000. As a result, premiums have increased significantly. He advised APIP expects to offer a cyber renewal, however continuance of the excess coverage may depend on meeting minimum standards and certain protocols being in place, e.g., multi factor authentication (MFA). Ms. Markworth advised that MVRMA is working with the following organizations for possible group purchasing: KnowBe4 for cyber training which MVRMA is currently using, Back to Business IT and Secure Cyber Defense for vulnerability audits. Ms. Markworth also reminded members if a cyber event occurs to contact MVRMA immediately so that Beazley, Alliant's cyber response group, can get involved.

Mr. Muenchen asked Ms. Markworth to provide the training update. She advised that approximately 200 people attended the 3 snow and ice sessions presented by the department of transportation and the newly elected officials training was presented to 40

attendees. She indicated that that this Spring 3 back safety (slip, trips, and falls) training sessions will be conducted, and Mike Hayslip will be here for a week in April for various safety training sessions. She also advised that 3 new student driver classes and 4 recertification driver classes will be happening this Spring. She asked that anyone who had any training needs to contact her.

Mr. Muenchen asked Mr. Judy to present the Risk Management Requests. He advised there were no common interest issues but provided the opportunity for any questions.

### **Executive Session**

At approximately 10:17 am there was a motion by Mr. Crowell, seconded by Ms. Gregory to recess into Executive Session to discuss the Open Claims Report. Motion carried.

At approximately 10:21 am the Executive Session was adjourned and returned to regular session.

Motion by Mr. Crowell, seconded by Mr. Reilly, to approve the Open Claims and Incurred Losses Report. Motion carried.

Mr. Muenchen asked Mr. Judy to discuss small claims for damages to residents' property. Members sometimes accept responsibility for the claim based on comments made at the scene. Mr. Judy recommended that staff receive training to accept no responsibility and provide information they can give to the claimant to contact the city representative. The claim should be filed with Gallagher Basset and if denied, the member has a choice as to whether to make a goodwill settlement.

### **Finance Committee Report**

Ms. Smiddy said that the committee reviewed the 2021 investment activity and list of securities in the investment portfolio at its February Meeting. Mr. Judy advised the average yield for 2021 was 1.73%.

Ms. Smiddy advised that the Cash and Investment Policy was reviewed. Mr. Judy advised that no changes were recommended by the committee.

Ms. Smiddy advised the Bond Coverage Policy was reviewed. Mr. Judy advised some minor changes were made to the policy. Motion by Mr. Green, seconded by Mr. Crowell. Motion carried.

Ms. Smiddy advised the Subrogation Policy was reviewed. Mr. Judy advised that revisions were made to reflect the current way Gallagher Bassett is managing subrogation collections. Motion by Mr. Crowell, seconded by Ms. Christian. Motion carried.

Ms. Smiddy advised the Shock Loss Fund Policy was reviewed and Mr. Judy indicated no changes were recommended.

Ms. Smiddy advised the Late Payment Penalty Policy was reviewed and Mr. Judy indicated no changes were recommended.

Ms. Smiddy advised the Code of Conduct Policy was reviewed and Mr. Judy indicated no changes were recommended.

Mr. Smiddy asked Mr. Judy to discuss the member refunds report. He advised that about \$24 million of members' loss funds have been refunded since the pool's inception.

#### **Awards Committee Report**

Mr. Green advised there were minor changes to the Risk Management Performance Awards Policy/Procedure. Mr. Judy indicated that it had been some time since the dollar amount for zero loss celebrations has been reviewed, therefore it was recommended to change to \$13 per employee. Motion by Mr. Crowell, seconded by Mr. Gregory. Motion approved.

#### **Alliant Insurance Services Report**

Mr. Swarbrick talked about how all the weather events have impacted property renewal premiums in the last 4 years with some premiums increasing by as much as 70%. The two premium factors are the rate and the insurable values. The insurable values may increase due to large purchases/construction and trending ranges which will typically be lower but will be approximately 7% to 8% this year.

#### **Executive Director's Report**

Mr. Judy had sent a member survey regarding claims administration as this is now being managed by Gallagher Bassett. He advised that there was a measurable increase from 3.71 prior when claims were managed in house and now it is 4.11.

Mr. Judy reminded everyone that the dashboard reports were provided including the open loss years summary, GRF balances, etc.

#### **President's Report**

Ms. Christian had nothing to report.

#### **Round Table Discussion**

The members discussed whether they were observing Juneteenth as a holiday at their city.

Mrs. Christian advised that the next quarterly board meeting will be held June 20, 2022, at 9:30 AM.

Having concluded its business for the day, motion to conclude the meeting by Ms. Gregory, seconded by Mr. Wendt, adjourned at 11:03 am.