District Meetings 2023

Minnesota Association of Townships Insurance Trust
Before We Start...

- $834,197.47
- 50,786 – Emails Exchanged
  - Includes original, investigations (Internal and External), and responsive to data requests.
- > 230 Sleepless nights
- > 5 Agencies notified
  - 3 LEE, Bank, Insurance
- 1 – ULTIMATELY RESPONSIBLE – ME!
- 0 – Township/Personnel information compromised
RISK

Risk is blah blah blah
Risk Management

- Accept
- Avoidance
- Mitigate - minimize
- Transfer - make your risk someone else's responsibility
Commercial Markets don’t want to insure Public Entity risks.

- Dangerous
- Expensive
- Unavoidable
- Non-Transferable

Governmental entities come together to insure common risks as a pool.
THEM

“Insurance”

- Policy Holder
- Policy
- Premium
- Share Holders
- Profits

US

- Member
- Coverage Document
- Contributions
- YOU!
- Paid Claims
COMPETITORS

1. LMCIT
   Exposures Townships don’t have, may impact overall rates.

2. MCIT
   “There is no interest at this time in expanding membership to member types beyond county and county affiliated entities.”

3. Commercial Markets
   Gaps in coverage for non-monetary claims. Not as responsive for damages.
Claims
(Policy Year – $)
Claims
(Line of Coverage - $)

- Workers Compensation
- Property/Inland Marine
- Automobile
- General Liability/E&O
03 Workers Compensation
Workers Compensation

DO YOU WANT A SAFETY MEETING?

BECAUSE THIS IS HOW YOU GET A SAFETY MEETING.
Workers Compensation

● **WHO?**
  ○ Hired Employees
    ■ See Handout
    ■ Officers
  ○ Officers

● **WHAT?**
  ○ ANY/ALL injury/Illness associated with the work they are performing for the Township.

● **When?**
  ○ **Immediately!**
  ○ If not sooner!

● **How?**
  ○ Online or MATIT.org
  ○ 800.WC.CLAIM (922.5246)
  ○ 800.944.1169 (Fax)
  ○ Email
    ■ SFMCorporateservices@sfmic.com
  ○ Policy No. 16204

● **End of Year Reporting**
  ○ Employees/Officers
  ○ By Class Code
  ○ Corroborating Documentation
    ■ W3 (NOT W2s)
    ■ Payroll Report

● **DO NOT REPORT CONTRACTOR PAYMENTS**

● **Reporting is DUE 31 January**
  ○ Every year!
  ○ $100 – physical return
  ○ $250 – late fee
  ○ $250 + 25% payroll increase if not returned by 15 March
WORKERS COMPENSATION

Total Insured Value: $1,253,911
Average Cost per Resident: 0.50
Number of Claims: 29

- Slip/Trip/Fall - Snow
- Slip/Trip/Fall
- Lifting/Sprain/Strain
Consolidated Liability 04
**Bonds**

- Clerk & Treasurer
- $100,000 as part of MAT Membership
- Additional Limits Available
- Report to the county

**Auto**

- Liability Comprehensive Collision
- Based on vehicle size
- Consider acquiring a township vehicle

**Liability**

- Responds to third parties issues arising from Township duties
**LIABILITY**

- **Total Insured Liability**: $2,305,528
- **Average Cost Per Resident**: $0.91
- **Number of Claims**: 74
- **Avg Claims/YR**:
  - General Liability
  - Errors & Omissions
  - Auto Liability
Township employee launched “projectile missiles” into residence while mowing.

Irate homeowners served the township with notice of action.
- Attorney letter $20,000+ in damages to reside the entire house.

MATIT staff located a service that was able to repair the siding, for around $2,000.

No one was more shocked at the results than the homeowners!
04 Property & Inland Marine
YOUR PROCESS

1. Proper scheduling
2. Proper Valuation
3. Timely Payments
4. Timely Claim Reporting
5. Online is the Future
RISK APPETITE
How Hungry Are You?

BIG LOSS
Unable to perform required services

BREAK-EVEN POINT
“Old”

Property of Others
Don’t insure what isn’t yours

LOSS
Issues performing required services

Obsolete
Newer version exists
RISK APPETITE
How Hungry Are You?

BIG LOSS
Replacement Value

BREAK-EVEN POINT
Actual Cash Value

Property of Others
Don’t insure what isn’t yours

LOSS
Replacement Value

Obsolete
Capitalization
Proper Valuation

Timely Claim Reporting

Proper scheduling

Online is the Future

Timely Payments
YOUR PROCESS

1. Proper scheduling
2. Timely Payments
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4. Timely Claim Reporting
5. Online is the Future
Reporting A Claim 101

● Safety First!
  ○ Check on yourself
  ○ Check on others
  ○ Check the scene
● Take pictures
  ○ Damage areas
● Take MORE pictures
  ○ Scene
  ○ Conditions
  ○ Various angles
● Note as much as possible
  ○ Time of day
  ○ Conditions
  ○ The other party
● Contact MATIT as soon as practical
Advanced Claim Reporting

- **Auto/Inland Marine Claims**
  - Be polite – NOT apologetic
    - Can be perceived as an admission of guilt
    - Don’t promise anything!
  - Say as little as possible
  - Contact local law enforcement
    - File accident report
  - Consider using technology
    - Mount cameras to capture inside/outside activity
    - Place disposable cameras in all township equipment

- **Property Claims**
  - Due tomorrow!
    - Inventory contents
    - Make sure items are scheduled
    - Identify reputable local services now!
      - Avoid “salesman” contractors
  - Mitigate damages
    - Turn off power/water
    - Tarp roof
    - Plywood windows
  - Don’t throw anything away
    - Place damaged property in an area for an adjuster to review
  - Be Patient!
When the claim's adjuster wants a diagram of the accident
YOUR PROCESS

1. Proper scheduling
2. Proper Valuation
3. Timely Payments
4. Timely Claim Reporting
5. Online is the Future
PROPERTY/INLAND MARINE

Total Insured Value: $509,217,322

Number of Claims: 66

Average Cost per Resident: $2.00
Who is MATIT?
MATIT Board of Trustees

CHAIRMAN: Gary Burdorf
TREASURER: Frank Hard
SECRETARY: Sandy Hooker

Jill Hall
District 12

District 8

District 4

District 2

District 1

Rex Edge
YOUR PARTNERS

EXL

Appraise scheduled property >$35,000

Actuarial Advisors, Inc
Reviews past losses to set future rates

Risk Management and Education

SFM
The Work Comp Experts

BMO
Banking and Investments
Guaranting A Fully Funded Program

- Investment
- Increased Efficiencies
- Rating Discipline
- Consistent Claim Strategies
Average Resident Contribution

$ 3.41
Annual Conference

Coverage
Outline new coverage document

WC Online
Review the WC Survey process through Origami

Claims
Officially roll out the process for online claims reporting
Visit our Website

www.matit.org
THANKS!

Do you have any questions?

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matit.org

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