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EMPLOYEE BENEFIT SERVICES
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April 5, 2019

MEMORANDUM

TO: Members, Georgia Interlocal Risk Management Agency (GIRMA)

FROM: Stan Deese, Director, Risk Management Services *Stan Deese*

RE: 2019/2020 Renewal of Property and Liability Coverages

As a member of the Georgia Interlocal Risk Management Agency (GIRMA), we are pleased to present the enclosed renewal terms for your property and liability coverage for the period of May 1, 2019 to May 1, 2020. Please review the renewal terms closely as they contain important information about your property and liability coverage renewal.

Renewal Rates – We are pleased to inform you that there are no changes to the base rates for this renewal. Any changes to your premium are the result of changes to your exposures or loss experience.

Renewal Credit - As in years past, GIRMA is distributing a renewal credit based on the loss experience and total contributions of each individual member. The amount of the renewal credit approved by the Board of Trustees for the 2019-2020 coverage period is \$4,000,000.

Coverage Changes & Enhancements: Please note the coverage changes below effective as of May 1, 2019. The page numbers shown are where the changes can be found in the Member Coverage Agreement.

1. **Clarification of deductible for loss involving an uninsured motorist.** In some instances, a claim may find coverage under either the Property Coverage Section of the Uninsured Motorist Coverage subsection of the Casualty Coverage Section, if such coverage has been elected by the Member. In such instances, where the deductibles are not the same, the lower of the two deductibles will apply. (p.2).
2. **Clarification of coverage for authorities, boards, and commissions.** The definition of "Member" has been modified to make clear that authorities, boards, and commissions that are not controlled by the Named Member are not covered entities and would need to secure coverage separately from the Named Member. This update is reflected under subsection VII.D of the GENERAL COVERAGE DECLARATIONS (pp. 2-3). For the Named Member to be considered as exercising "direction and control," the following elements shall be present:
 1. the power of the Named Member, or members of its governing body, to appoint and remove a majority of the directors;
 2. provision of a majority of funding on an annual basis by the Named Member; and
 3. service by Named Member as custodian or trustee for all monies and property of the Authority, Board, or Commission, if any.

(Over)

- 3. Adoption of sublimit for Inflatable Amusement Devices.** The Member Coverage Agreement has been modified to contain a new definition for "Inflatable Amusement Device." (p. 33). Claims resulting from Inflatable Amusement Devices are excluded from coverage under the Member Coverage Agreement (p.32), but will receive coverage up to a limit of \$100,000 through creation of a new endorsement applicable to such devices.
- 4. New Coverage for Crisis Management Expenses.** A new Crisis Management Endorsement has been adopted to provide coverage up to \$50,000 annually for expenses incurred to use a crisis management firm in the event of a Crisis Event or a Workplace Violence Event. A Crisis Event is defined as an emergency situation, which results in or there is imminent risk of significant adverse news media coverage about a Named Member from which a covered claim for Money Damages under the MEMBER COVERAGE AGREEMENT may arise.

Workplace Violence Event is defined as any intentional use or threat to use deadly force by any person, with intent to cause harm, that results in bodily injury sustained by and Member or other person while on the premises of the Named Member.

Any Crisis Management Firm engaged must be approved in advance by GIRMA.

Auto ID Cards - Enclosed you will find your new Auto ID cards that should be placed in all vehicles the city insures. These cards do have expiration dates, so please ensure these are distributed prior to May 1, 2019.

Limits and Deductibles - The renewal terms reflect the per-occurrence limits and deductibles selected by your entity for the 2019/2020 period. Please review these closely. Should you wish to consider alternate deductible options or liability limits, please contact any of the individuals listed at the end of this correspondence.

Payment Terms - The enclosed documents include an invoice containing payment terms offered by GIRMA. These terms are meant to assist members in meeting cash flow needs. Please review the payment terms and decide which payment option is best for your entity. A minimum payment of 25% is due upon receipt of this invoice and no later than 30 days from the date of this correspondence. Please send payment to the address indicated on the invoice and reference the invoice number on your payment.

Pollution Coverage - If your entity has chosen to purchase the optional pollution coverage for the 2019/2020 coverage period, or you completed an application and requested a quote, a renewal proposal will be mailed separately by Willis Insurance Services of Georgia. The pollution contribution is **not included** in the renewal contribution shown on the GIRMA renewal invoice.

Coverage & Member Documents - A packet containing your specific renewal Certificate of Coverage, Member Coverage Document and Declarations Pages will be mailed to you no later than the end of June along with a copy of your updated exposure schedules.

On behalf of the GIRMA Board of Trustees and the Georgia Municipal Association, we want to thank you for your continued support. GIRMA is a stable and successful program due to the long-term commitment and participation of its membership.

If you have any questions about the 2019/2020 annual renewal contribution, please contact Lindsey Albright at 404-224-5044 or Meghan Murray at 404-302-3898. To speak with Dana Goodall at GMA, please call 678-686-6220. I can be reached at 678-686-6221. Our toll-free number is 888-488-4462.