



This Is Minnesota Counties Intergovernmental Trust

Program Year 2023

MCIT

MINNESOTA COUNTIES INTERGOVERNMENTAL TRUST

Presented by:

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Today's Conversation

- Introduction to MCIT
- Lines of coverage
- Claims trends and emerging concerns
- Advantages of MCIT membership
- Preventing losses and mitigating risks

What Is MCIT?

MCIT Is ...

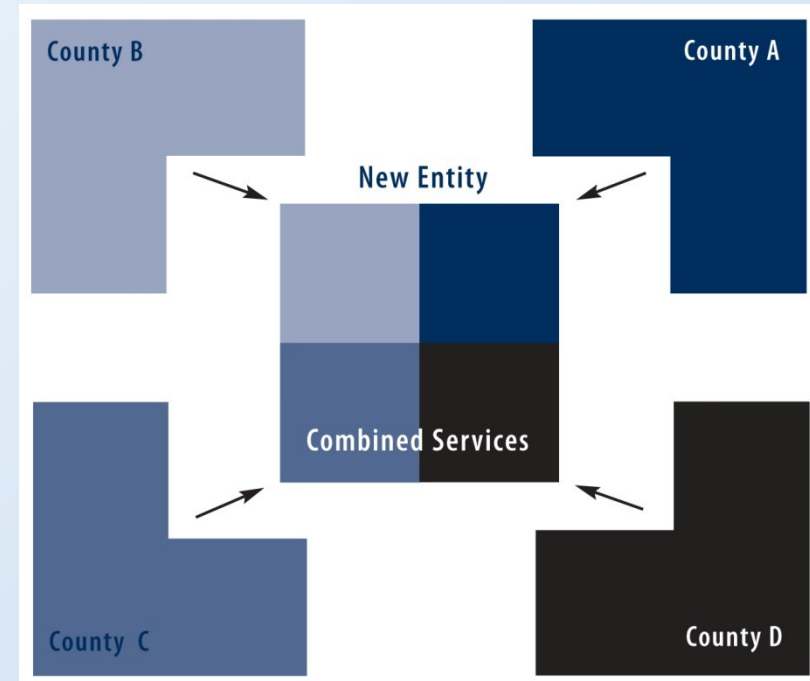
- ... A line item in the county's budget
- ... County's coverage provider for:
 - Work-related injuries for county employees
 - Vehicles for property damage and liability
 - Actions that result in the county being sued
- ... Your partner:
 - In claims management
 - Risk management

MCIT Is a Public Entity

- Risk sharing pool for Minnesota county governments and associated public entities
- Reflects counties
- Established in 1979 with workers' compensation program
 - Property and liability program added in 1984
- MCIT headquarters
 - Tenants include:
 - ◆ Minnesota Sheriffs' Association
 - ◆ Minnesota County Attorneys Association
 - ◆ Minnesota Counties Computer Cooperative
 - ◆ Minnesota Community Action Partnership
 - ◆ Minnesota Association of Soil and Water Conservation Districts
 - Meeting rooms available for all MCIT members' use

Joint Powers Structure

- Enabling legislation:
 - Minnesota Statute 471.59
 - Minnesota Statute 471.981
- Transferred and pooled assets and liabilities to:
 - Administer the program
 - Cover losses
 - Provide risk management advice
 - Provide loss control services
 - Purchase reinsurance for catastrophic losses



MCIT Membership

Members by the Numbers

- 81 of Minnesota's 87 Counties
 - Anoka, Dakota, Hennepin, Ramsey, St. Louis and Olmsted Counties Are Not Members
- 92 soil and water conservation districts and associated joint powers
- 350 other public entities

Membership Is a Privilege

- Minnesota Statute 466
 - ◆ Provides Certain Immunities and Defenses
 - ◆ Limits Liabilities for State Tort Claims
- Committed to managing risks

MCIT Board of Directors

- Elected and appointed county officials
 - 5 county commissioners
 - 2 county auditors or auditor-treasurers
 - 1 county coordinator/administrator
 - 1 vacancy
- Diverse backgrounds but all have experience in local government
- Experience the outcome of their decisions



Ron Antony, Yellow
Medicine County
Commissioner



Randy Schreifels, Stearns
County Auditor-treasurer



Kurt Mortenson, Otter Tail
County Commissioner



Kirk Peysar, Aitkin County
Auditor



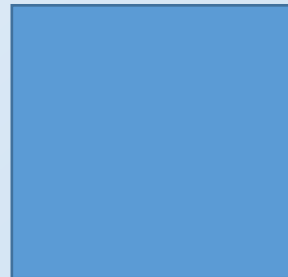
Jack Swanson, Roseau
County Commissioner



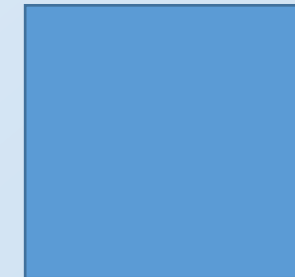
Don Wachal, Jackson
County Commissioner



Marcia Ward, Winona
County Commissioner



Brett Skyles, Itasca
County Administrator



Vacant

MCIT Staff

- Program and contract administration
- Underwriting
- Claims administration
- Risk management and loss control
- Communications
- Systems support
- Accounting and finance
- Facility management

Service Providers

- Defense counsel
- Actuarial work (Actuarial Advisors)
- Independent audit (EideBailly)
- Employee Assistance Program (Sand Creek)
- Minnesota Safety Council
- Variety of attorneys and consultants

Lines of Coverage

Tailored to Minnesota Counties

Tailored Coverage for Counties

Lines of Coverage

- Property: buildings, contents, property in the open
- Inland marine: contractors equipment, electronic data processing equipment, miscellaneous personal property
- Liability: general, public employees, law enforcement
- Auto: physical damage and liability
- Workers' compensation

Scope of Coverage

- Approximately 26,000 employees
- \$6.8 billion in property value
- 11,000 vehicles

Application of Coverage to Commissioners

- Public employee liability coverage
 - Covered party:
 - ◆ Only acts within the scope of their employment by or duties on behalf of the member [county], in their official capacity
 - ◆ Any elected or appointed official of the member
 - ◆ Subject to the terms and conditions of the Coverage Document
- MS 466.02
 - Provides that every municipality is subject to liability for its torts and the torts of its officers, employees and agents acting within the scope of their employment or duties ...
- Workers' compensation
 - Elected officials are covered subject to a county board resolution (MS. 176.09)

Claims and Emerging Concerns

Claim Trends

- Law enforcement
 - Increasing claims in the last five years (excluding employment related claims)
 - Frequency and severity – jail operations
 - ◆ Medical treatment
 - ◆ Mental illness/suicides
- Cyber
- PTSD and workers' compensation
- Employment/personnel
- Land use decisions
- Complicated by “bad actors” - Minnesota Statutes, Chapter 466

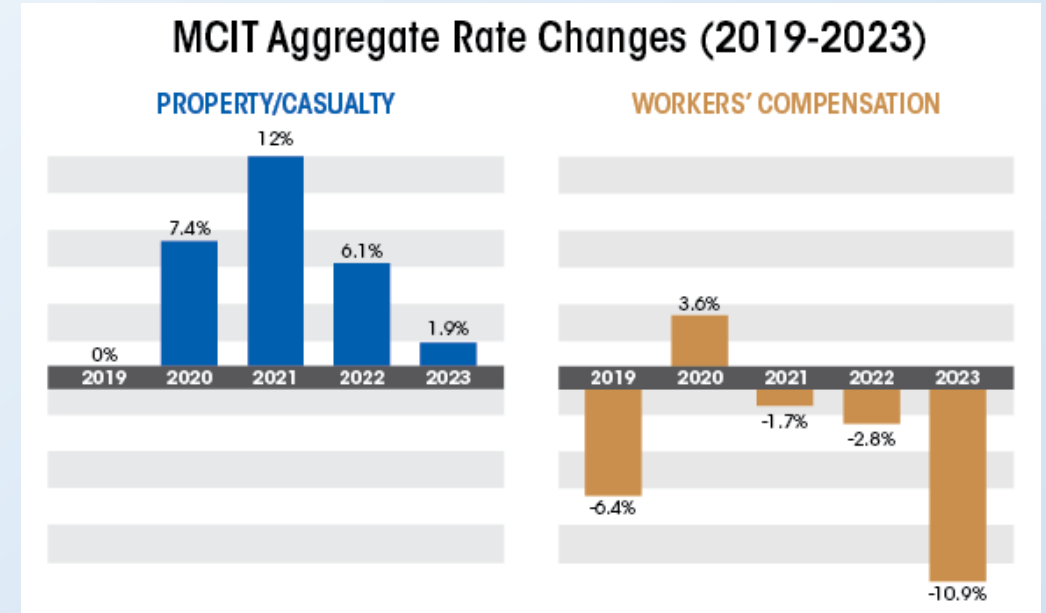
Advantages of Membership

Fully Funded Program

- Created by counties for counties
 - Will not decide to leave public sector market
- Rates set to cover expected cost of claims
 - No profit motive
- Coverage for unique exposures of county government operations

Rate Stability

- Homogenous membership
- Economy of scale
- Reduced expenses
 - No commissions or sales fees
 - Tax exempt



Dividends

- Equity is returned when:
 - Fiscally prudent
 - Actuarially sound

Year	Aggregate Dividend
2022	\$7 million
2021	\$12 million
2020	\$10 million

Enhanced, New Coverage

- Coverage reviewed annually
- Enhancements, new coverage added as appropriate to address members' risk exposures
- Recently added or enhanced coverage:
 - Drones
 - Liability for class III dams as classified by DNR
 - Cyber, misdirected payment and computer fraud

Commitment to Members

- 44 years of service and commitment to Minnesota counties
- Responsive to members
- Program administered by MCIT staff
- Staying connected to members:
 - Bulletin newsletter
 - Website
 - Phone and email conversations
 - Annual meeting
 - Conference participation

Preventing Losses, Mitigating Risks

Advice, Recommendations

- Risk management consultants:
 - Coverage questions
 - Contract review from a risk management perspective
- Loss control consultants:
 - Safety committee meetings
 - Property surveys
- Staff counsel:
 - Risk management advice, recommendations

No-cost Services, Products

- Information and education:
 - Training events
 - Videos
 - Publications
 - Website
- Loss control and risk management tools, resources
- Property appraisals
- Employee Assistance Program
 - Elected officials and dependents can use the EAP
- Minnesota Safety Council membership

Final Thoughts

New Leaders: Help Prevent Claims

- Ask questions, engage with MCIT:
 - MCIT report to county boards
 - Training events
 - AMC district meetings
 - Contact MCIT:
 - ◆ 1.866.547.6516
 - ◆ *info@mcit.org*
- Integrate risk management, loss control into county operations
- Support staff's involvement in risk management, loss control efforts
- Be involved:
 - Join the county's safety committee

Congratulations in your new role!

Welcome to

- County government
- Minnesota Counties Intergovernmental Trust

It promises to be ...

- Exciting
- Challenging
- Fun

MCIT is ready to assist you!