



Member Owned. Member Driven.
We Are You.

STEWARDSHIP REPORT

2026

BOARD MEMBERS

— FY26 —

Cassandra Tozer, Chair (appointed)
Human Resources Director, City of Bozeman

Paige Fetterhoff, Vice Chair (elected)
Director of Finance, City of Livingston

Sherri Baccaro, Secretary (elected)
Human Resources Director, City of Whitefish

Jessica Chamberlin, Treasurer (elected)
Interim Chief Administrative Officer, City of Sidney

Mike Brady, (appointed)
Deputy Director - HR/Risk Management, City of Missoula

Tammy Comer, (elected)
Finance Officer-Clerk, Town of Fairfield

Becky Dockter, (appointed)
City Attorney, City of Helena

Greg Doyon, (appointed)
City Manager, City of Great Falls

Jade Goroski, (elected)
Finance Officer, City of Shelby

Kevin Iffland, (appointed)
Interim City Administrator, City of Billings

Jim Kambich, (appointed)
Chief of Staff, Butte-Silver Bow County

Dean Mahlum, Member at Large (appointed by board)
Councilperson, City of Wolf Point

Cherrie McAlexander, (elected)
Clerk/Treasurer, City of Columbus

Johnna Preble, (appointed)
City Attorney, City of Kalispell

Greg Tryon, (elected)
Assistant City Manager, City of Belgrade

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MESSAGE FROM THE INTERIM CEO

As MMIA reaches its 40th year, we have an opportunity to reflect on four decades of service, collaboration, and success on behalf of Montana's cities and towns. Throughout those years, municipalities have faced challenges, economic pressures, and unexpected turns. Yet MMIA has remained a strong and reliable partner, providing a foundation for effective risk management and long-term financial stability. When Montana communities recognized the need to manage risk collectively and protect the financial viability of local government, they came together with a shared vision. That vision created an organization built on cooperation, mutual support, and local control. Forty years later, that purpose remains as relevant and valuable as ever.

Over the past year, MMIA has experienced several significant transitions as we position the organization for the future. Most notably, we began the wind-down of our Workers' Compensation Program. For four decades, the Program provided meaningful value to member-owners through quality coverage, cost savings, and important benefits for municipal employees across Montana. The decision to wind down the Program was not made lightly, but it was a responsible and strategic step that reflects MMIA's ability to adapt to an evolving risk and coverage landscape. This transition demonstrates one of MMIA's greatest strengths: our willingness to evolve as member-owners' needs change. By thoughtfully managing this process, we have ensured a smooth transition while allowing the organization to focus its resources, expertise, and energy on the programs and services that continue to provide value to our membership. Our commitment remains unchanged. We will continue to adapt, innovate, and position MMIA to meet the needs of Montana municipalities for years to come.

As a member-owned organization, MMIA exists to serve you. Your municipality is not just a participant in MMIA; you are an owner, a partner, and a part of the collective strength that makes our success possible. I encourage you to view MMIA as an extension of your own municipal resources. Our staff is committed to delivering exceptional service, practical solutions, and responsive support to help your community succeed. Beyond the quality coverages, risk management services, and financial savings provided to member-owners, MMIA stands as a powerful example of what Montana cities and towns can accomplish when they work together. The collaboration, networking, and shared commitment fostered through MMIA strengthen municipalities across our state and create benefits that extend well beyond coverage alone.

It is an honor to work alongside our dedicated staff, Board of Directors, and member communities as we continue building on the vision established 40 years ago. On behalf of the entire MMIA team, thank you for your trust, partnership, and continued support. I look forward to the opportunities ahead and to continuing our work together in service to Montana's cities and towns.

Sincerely,

Amanda Clark

Interim Chief Executive Officer

ABOUT MMIA

More than a provider of coverage, MMIA is a partner in the success of Montana's municipalities. We deliver specialized property, liability, and employee benefits coverage alongside risk management services, training, and resources tailored exclusively to the unique needs of Montana's incorporated cities and towns.

Because MMIA is member-owned and member-driven, our priorities are shaped by the communities we serve. Member-owners don't just participate in MMIA; they help guide its future through leadership, collaboration, and local decision-making.

For four decades, MMIA's self-funded pooling model has empowered municipalities across Montana to share knowledge, manage risk collectively, and participate in stable and consistent coverages. As the challenges facing local government continue to evolve, MMIA remains committed to providing responsive solutions, trusted expertise, and exceptional service for its member-owners. **We Are You.**

— MMIA MISSION, VISION, CORE VALUES —

MISSION



Pooling resources to provide quality, cost-effective self-funded coverage and risk management services including outreach, education and training for all Montana cities and towns.

VISION



To be a proactive and adaptive risk management leader in coverages and risk management practices by collaborating with members and key partners, providing overall stability and advocacy for Montana cities and towns.

CORE VALUES



- **Leadership** – Through integrity, accountability, and transparency
- **Teamwork & Collaboration** – Customer-focused service and programs
- **Adaptability** – Through continuous development and improvement
- **Financial Stewardship**

FOUNDATIONAL PILLARS

Municipal Owned, Unique Services, Open and Transparent, Stable and Consistent



CELEBRATING 40 YEARS OF MMIA

For 40 years, MMIA has been guided by a simple but powerful belief: Montana's cities and towns are stronger when they work together. Founded as a member-owned risk pool, MMIA was built on the idea that municipalities could achieve greater stability, stronger protection, and better long-term outcomes by collectively sharing risk and resources. Four decades later, that principle remains at the heart of everything MMIA does.

Stewardship has been central to MMIA's success throughout those 40 years. Through disciplined financial management, proactive risk solutions, and responsible governance, MMIA has helped member-owners navigate changing economic conditions, evolving risks, and increasingly complex insurance and reinsurance markets while maintaining a long-term focus on serving Montana's municipalities.

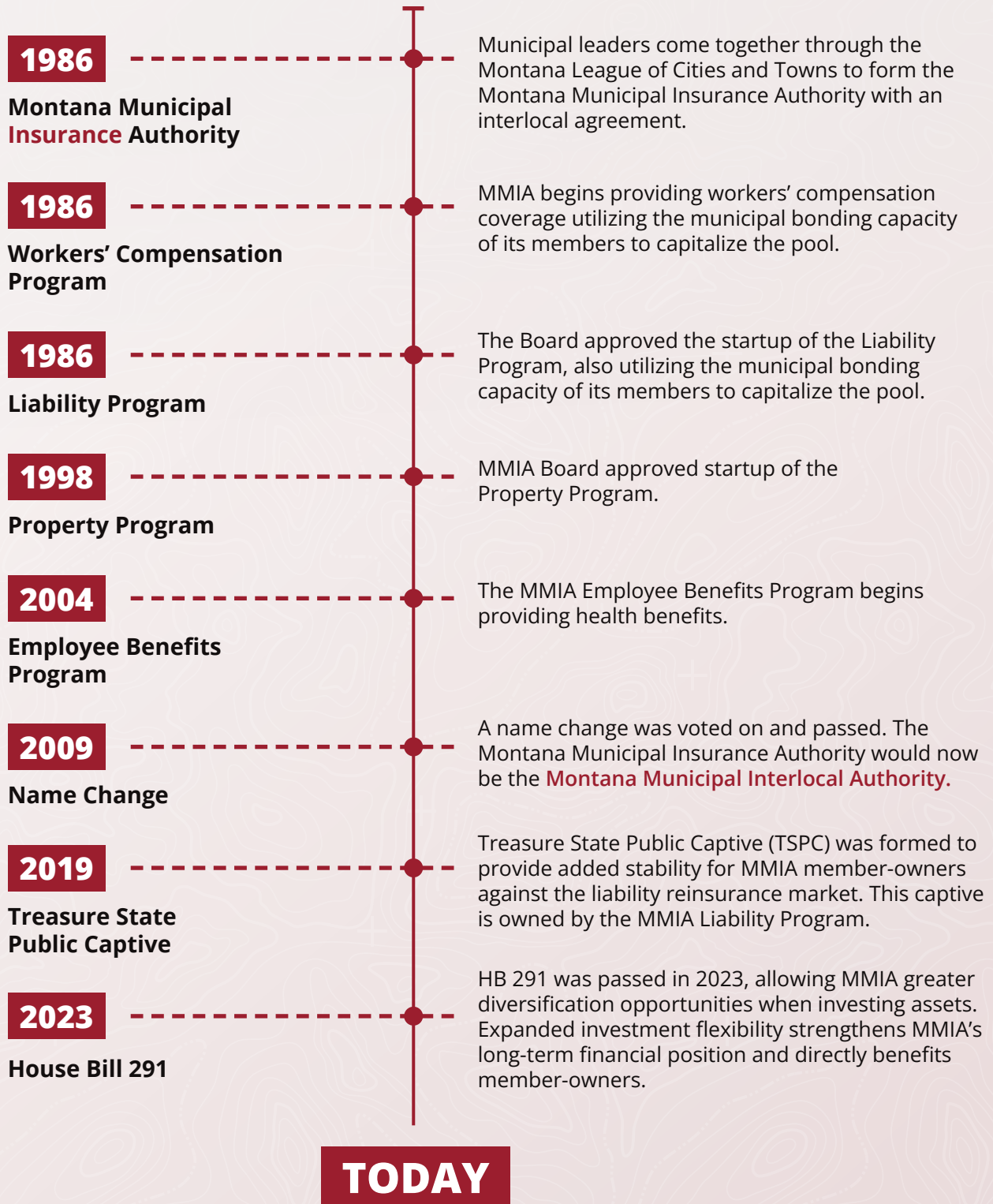
Over four decades, MMIA has evolved to meet the changing needs of its members. The organization began administering its Workers' Compensation and Liability programs in 1986, added Property coverage in 1998, and expanded into Employee Benefits in 2004. Continuing that commitment to innovation and stability, MMIA helped establish Treasure State Public Captive, Inc. in 2019 and supported passage of House Bill 291 in 2023, strengthening the organization's long-term financial resilience on behalf of its member-owners.

The strength of MMIA's model lies in its collective nature. By coming together, member-owners share not only risk, but also knowledge, experience, and accountability. This collaboration creates stability that no single municipality could achieve alone while allowing MMIA to provide comprehensive coverage, risk management services, and employee benefit solutions designed specifically for local government.

As MMIA celebrates its 40th anniversary, the organization remains focused on what has always set it apart: member ownership, shared responsibility, and a commitment to serving Montana's municipalities. Together, Montana's cities and towns have built more than a risk pool. They have built a lasting partnership founded on trust, resilience, and stewardship—one that will continue serving municipalities for generations to come.

MMIA THROUGH THE YEARS

The cities and towns of Montana came together in 1986 with a vision to provide a self-funded pool to municipalities due to the commercial insurance market not being a viable option.



MMIA continues to lead proactively and adaptively, delivering cost-effective, stable coverages and risk management solutions for all member-owners.

RESOURCES, EXPERTISE, AND VALUE: MMIA EVENTS TAILORED TO YOU

MMIA brings industry expertise, practical learning, and valuable networking opportunities directly to our member-owners through events held across Montana. Regardless of your role in municipal government, our events help build knowledge, strengthen leadership, and address emerging risks facing Montana's municipalities.

»» EXECUTIVE FORUM

The Executive Forum is designed for mayors, city managers, chief executives, and city administrators. Held annually over three days in February or March, the forum brings together municipal leaders to discuss leadership, governance, legislative issues, and risk management. Hosted in partnership with the Montana League of Cities and Towns (League) and the Montana State University Local Government Center (LGC), the event rotates locations statewide, except during legislative years when it is held in Helena.

»» JIM TILLOTSON SERVICE PROGRAM

Created for city and town attorneys, this three-day program focuses on professional development and peer collaboration. Held each spring and co-hosted with the League, the program provides practical insights into emerging legal issues affecting municipalities while fostering valuable professional connections.

»» MUNICIPAL SUMMITS

Typically held in 8–10 communities each year, Municipal Summits provide practical, one-day training opportunities for elected officials and municipal employees across all departments. Developed in partnership with the League and LGC, these regional events deliver useful content that participants can immediately apply in their roles.

In 2026, **73** member municipalities were represented at MMIA events, with over **200** total attendees participating throughout the year.

MEMBER ATTENDANCE



MUNICIPAL SUMMITS

YEAR	2026	2025	2024
ATTENDANCE	140	142	129

JIM TILLOTSON SERVICE PROGRAM

YEAR	2026	2025	2024
ATTENDANCE	33	51	51

EXECUTIVE FORUM

YEAR	2026	2025	2024
ATTENDANCE	48	54	35

MMIA RISK MANAGEMENT: EXPERTISE WHEN AND WHERE YOU NEED IT

- Have you ever wondered about the coverage implications for a hot air balloon show launched from city-owned property? What about a snowmobile stunting expo or a candy drop from a helicopter in a city park? Is the city working to create a park district in collaboration with another public entity?
- When should a city use an outside investigator for an employment matter? What is considered part of the interactive process for ADA requests? What is due process?
- Are you in need of guidance on minimum insurance limits for contractors performing work for the city?

These questions are a small sample of the type of inquiries MMIA’s risk management team receives from the membership. In addition to our risk management team conducting on-site risk management evaluations of municipal operations and providing training on a wide variety of topics, we also do a lot of consultative work via phone and email. As illustrated by the wide variety of questions noted above, municipal operations and exposures are complex and diverse. Our team has the expertise and resources to provide technical support for all these issues, and more!

“Member Owned. Member Driven. We Are You.” isn’t just a slogan. MMIA staff pride ourselves on being an extension of your municipality’s operations. Our objective is to help outline the potential risks and solutions for whatever challenges your municipality is facing so you can make an informed decision. We aren’t here to tell you what to do; we’re here to help you be confident in the decision you make because you’re operating from an informed position.

RISK MANAGEMENT TRAINING			
YEAR	FY26	FY25	FY24
INDIVIDUALS TRAINED	694	701	744
TRAINING HOURS*	1,900	2,641	2,249

**Number of individuals trained x length of training.*

Our membership had nearly 600 individual risk management interactions in the last fiscal year! We encourage you to explore our risk management offerings including:

- Individual consultations to help identify hazards/deficiencies and to provide custom, actionable recommendations and supporting resources to address any issues identified.
- Individual and group education opportunities including on-site or virtual training tailored to your city's or town's specific needs, and annual events such as Executive Forum, Municipal Summits, and the Jim Tillotson Service Program. These events are designed to provide quality learning experiences, as well as collaboration and networking opportunities.
- Self-service risk management tools including electronic platforms for risk assessment and training, downloadable audit tools, checklists, sample programs, and more.
- Lexipol policy subscription service for Law Enforcement allows agencies to stay consistent, compliant, and confident in a constantly evolving landscape. Lexipol delivers fully developed, state-specific policies that are researched and written by industry experts and legal professionals. Lexipol keeps the policies up-to-date as laws and standards evolve and provides tools to help agencies efficiently update and distribute policies and track personnel acknowledgments.

These services are available to you as a member-owner at no additional cost because a strong, proactive risk management approach benefits everyone in the self-funded pool. To learn more about the risk management services available, please contact our team at 800-635-3089 option 0 or riskmgmt@mmia.net. Resources can also be found on our website at <https://mmia.net/risk-management/resources>.

DEFENSE COUNSEL SUMMIT

Defense Counsel Summit provides a forum for the attorneys who defend MMIA member-owners to connect, collaborate, and stay informed on emerging issues affecting Montana municipalities. The Summit brings together MMIA defense counsel and city and town attorneys to discuss municipal legal trends, share insights, and strengthen professional relationships. Through presentations from MMIA staff and guest speakers with specialized expertise, attendees gain valuable knowledge and practical perspectives on issues impacting municipalities. In FY26, 40 defense counsel and municipal attorneys participated in the event.

RISK MANAGEMENT AND EMPLOYEE BENEFITS

Risk management in employee benefits begins with early detection and proactive health management. MMIA's Wellness Program, which reaches more than 70% of eligible employees through Health Screenings, is a cornerstone of these efforts. Screenings and follow-up Health Screening Review calls are provided at no cost, and participants receive a \$50 incentive for completing each activity. To maximize convenience and participation, MMIA offers onsite screenings through a mobile vendor and access to Montana Health Center locations statewide. MMIA also provides free Risk Reduction and Disease Management coaching, along with counseling and financial/legal assistance through its Montana-based Employee Assistance Program. Together, these services support healthier outcomes, help control costs, and strengthen MMIA's ability to preserve valuable benefits for the future.

FINANCIAL STEWARDSHIP: FINANCIAL OVERVIEW OF MMIA PROGRAMS

A Summary of Program Net Positions and Assessment Allocations

LIABILITY PROGRAM

NET POSITION (IN THOUSANDS)	FY26	FY25	FY24
CASH AND INVESTMENTS	\$69,967	\$68,039	\$60,355
NET RESERVES FOR UNPAID LOSSES & LOSS ADJUSTMENT EXPENSES	\$37,572	\$33,896	\$29,046
MEMBERS' EQUITY	\$34,528	\$34,960	\$31,513
MEMBERS COVERED	127	126	126

For every dollar you gave us in FY26, this is what we did with it:



The Board of Directors sets premium assessments annually at levels designed to ensure the Liability Program is adequately funded to address uncertainty in loss estimates, catastrophic claims, and reserve adequacy. When unrestricted surplus is available, the Board may declare a retrospective distribution to members or use surplus to reduce the funding level for the upcoming program year.

From FY24 to FY26 **\$1.9 million** has been given back to member-owners through retrospective distributions.

**\$1.9
MILLION**



PROPERTY PROGRAM

NET POSITION (IN THOUSANDS)	FY26	FY25	FY24
CASH AND INVESTMENTS	\$19,520	\$17,760	\$10,319
NET RESERVES FOR UNPAID LOSSES & LOSS ADJUSTMENT EXPENSES	\$2,439	\$2,560	\$2,470
MEMBERS' EQUITY	\$18,282	\$16,121	\$14,260
MEMBERS COVERED	119	118	118

For every dollar you gave us in FY26, this is what we did with it:



TOTAL INSURED VALUES (IN THOUSANDS)	FY26	FY25	FY24
AUTO TIV	\$384,975	\$357,598	\$337,574
CONTRACTOR EQUIPMENT TIV	\$140,998	\$134,077	\$130,409
PROPERTY TIV	\$3,720,648	\$3,518,760	\$3,218,361



As of July 1, 2026, MMIA covers over **\$4.5 billion** in municipal property for more than **13,000** assets.

The Board of Directors sets rates to fund the Property Program in amounts to ensure the Program is adequately funded to account for uncertainty in loss estimates, catastrophic claims, and reserve adequacy. Unrestricted surplus (amounts in excess of the target surplus ratio) could be used by MMIA at the Board's discretion within the Program for initiatives or investments designed to result in cost savings to the Program, Program or coverage expansion, rate stabilization, or capital asset acquisition.

WORKERS' COMPENSATION PROGRAM

NET POSITION (IN THOUSANDS)	FY26	FY25	FY24
CASH AND INVESTMENTS	\$63,121	\$66,798	\$67,348
NET RESERVES FOR UNPAID LOSSES & LOSS ADJUSTMENT EXPENSES	\$30,457	\$38,015	\$39,439
MEMBERS' EQUITY	\$33,143	\$30,737	\$30,088
PAYROLL COVERED (IN THOUSANDS)	\$79,539	\$240,049	\$359,694
MEMBERS COVERED	97	104	108

PROGRAM WIND-DOWN

To begin FY26, seven member-owners did not renew their participation in the Workers' Compensation Program. With financial stewardship being a top priority, the MMIA Board of Directors voted to begin winding down the Program and preparing participating members for non-renewal beginning FY27. MMIA staff maintained consistent communication with member-owners throughout the transition process. The Program will continue to operate and manage existing claims, as well as any claims submitted for workplace injuries or illnesses that occurred prior to July 1, 2026. Members are encouraged to contact MMIA with any questions regarding claims currently being managed by MMIA.

FINANCIAL STANDING OF THE PROGRAM

The Workers' Compensation Program enters claim runoff in a stable financial position, supported by years of prudent financial management and Board oversight. As of June 30, 2026, the Program maintained approximately \$62.2 million in invested and liquid assets available to support an estimated \$30.5 million in future claim obligations. MMIA remains committed to carefully managing program assets, monitoring claim activity, and maintaining adequate reserves throughout the claim runoff period to ensure all obligations related to covered workplace injuries and illnesses occurring prior to July 1, 2026, are fulfilled.

EMPLOYEE BENEFITS PROGRAM

NET POSITION (IN THOUSANDS)	FY26	FY25	FY24
CASH AND INVESTMENTS	\$16,928	\$18,990	\$18,469
NET RESERVES FOR UNPAID LOSSES & LOSS ADJUSTMENT EXPENSES	\$5,444	\$3,832	\$4,293
MEMBERS' EQUITY	\$13,245	\$14,864	\$13,619

For every dollar you gave us in FY26, this is what we did with it:



PARTICIPANTS COVERED AT 6/30	FY26	FY25	FY24
MEDICAL/RX	4,688	4,650	4,541
DENTAL	2,799	3,814	3,710
VISION	2,149	3,139	3,099

WELLNESS PARTICIPATION	FY26	FY25	FY24
HEALTH SCREENING	1,994	1,990	1,910
HSR CALL*	1,635	1,632	1,599
EDUCATION	1,821	1,807	1,645

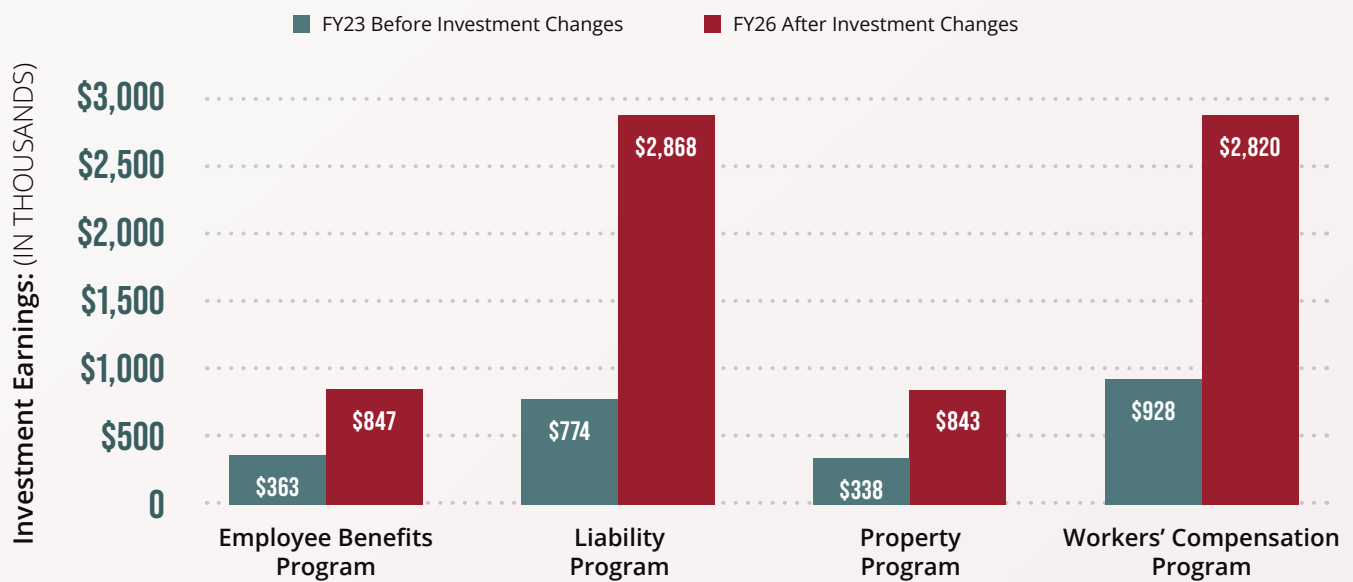
**Health Screening Review call*

As a self-funded plan, it is necessary to maintain some claim fluctuation margin reserve in the event that claims plus expenses exceed premiums for a given year. The Board has set an established risk margin and determined amounts in excess of this margin may be declared as unrestricted surplus, which may be used for initiatives or investments that should result in cost savings to the Program, operational resource investments that improve efficiency or quality of services, Program or benefit expansion, rate stabilization, or capital asset acquisition.

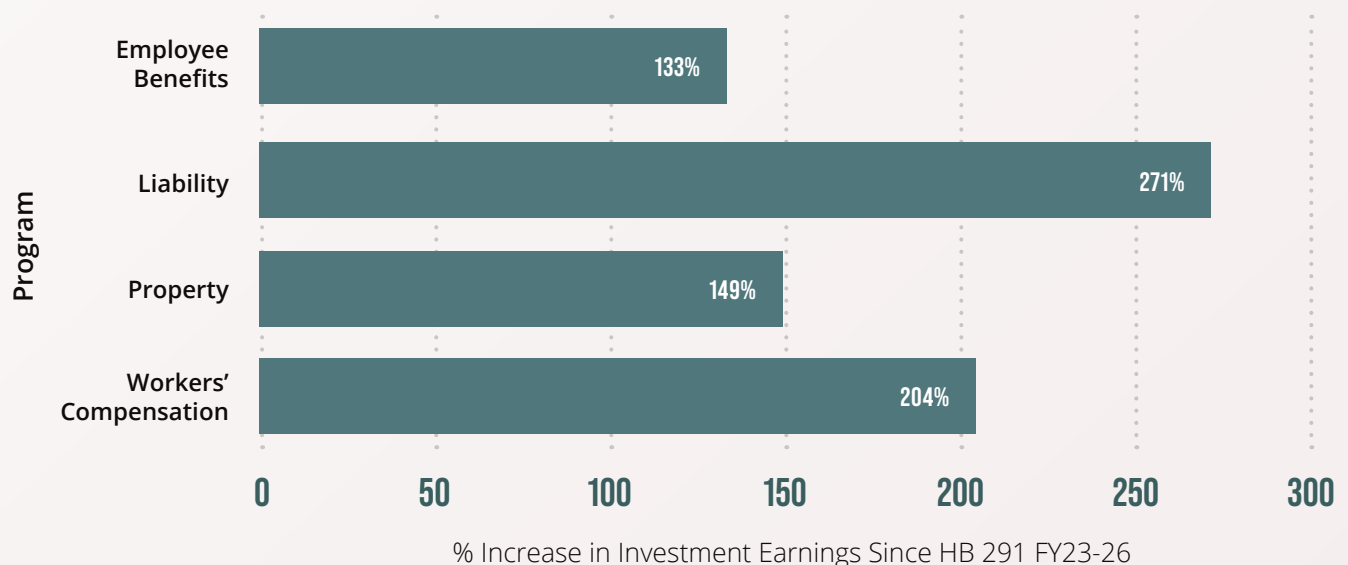
MMIA INVESTMENTS

The momentum created by the passage of HB 291 in 2023 continues to produce positive results for MMIA. Strong portfolio performance and prudent investment management have contributed to solid returns, further strengthening the pool's financial foundation. This enhanced financial position supports MMIA's long-term stability, reinforces its ability to navigate market volatility, and reflects an ongoing commitment to responsible stewardship on behalf of MMIA member-owners.

INVESTMENT EARNINGS COMPARISON

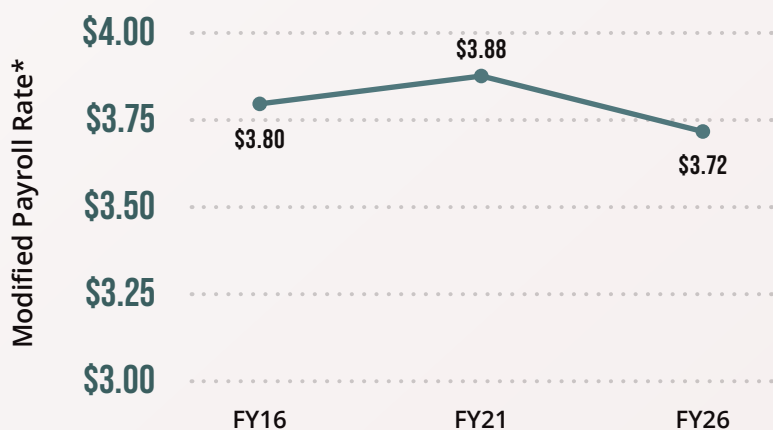


INVESTMENT EARNINGS COMPARISON



RATE HISTORY

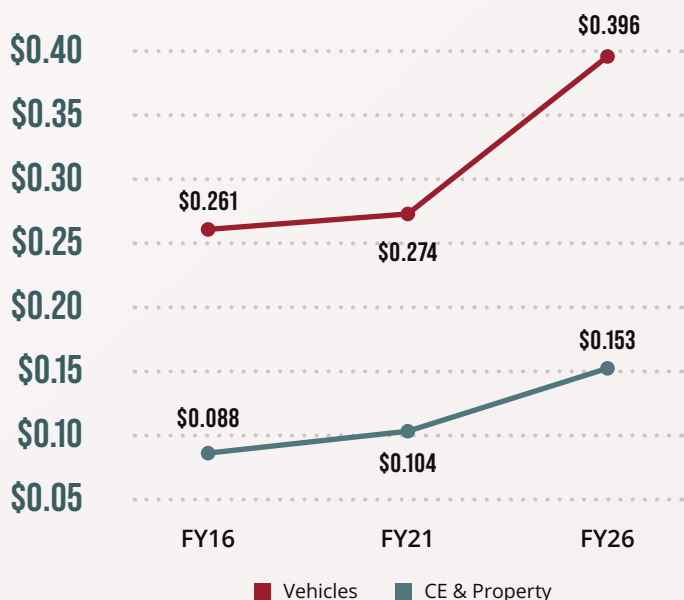
LIABILITY PROGRAM



PERCENTAGE CHANGE	
5-YEAR CHANGE	10-YEAR CHANGE
- 4.1%	- 2.1%

**Please note all rates are aggregated.*

PROPERTY PROGRAM



PERCENTAGE CHANGE		
	5-YEAR CHANGE	10-YEAR CHANGE
VEHICLES	44.5%	51.7%
CE & PROPERTY	47.1%	73.9%

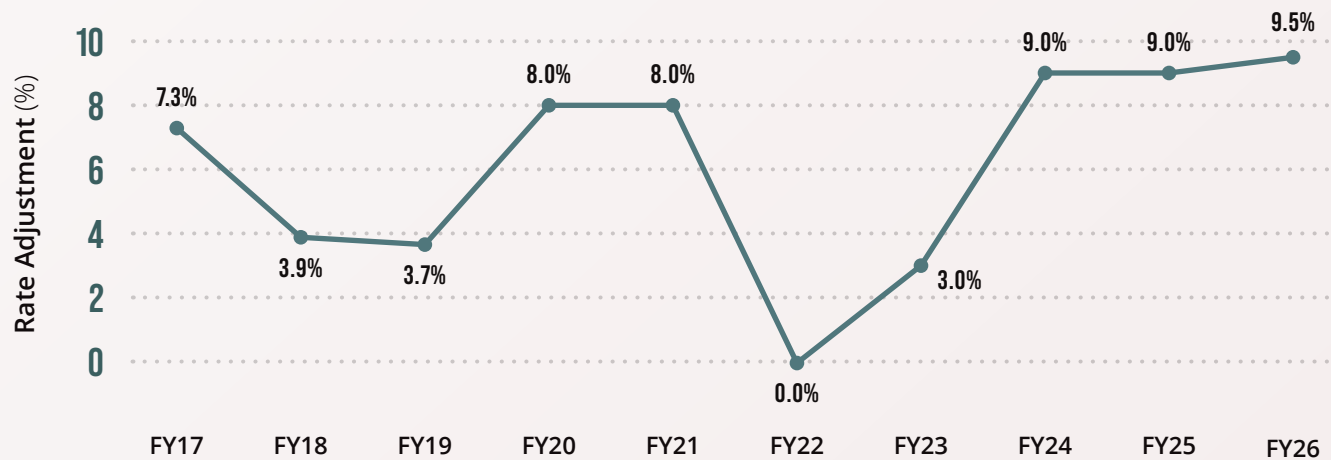
Recent hard reinsurance market conditions have driven notable cost increases within the Property Program. To help offset these pressures, the Board leveraged a portion of the Program's surplus for rate stabilization. This proactive approach helped moderate annual rate increases and provided additional financial stability for member-owners during a difficult insurance market cycle.

*Please note all rates are aggregated.
CE = Contractor's Equipment*

RATE HISTORY CONT.

MMIA EMPLOYEE BENEFITS RATE ADJUSTMENT HISTORY

(Based on Standard Plan Adjustments)



»» AVERAGE ANNUAL RATE INCREASE OVER TEN YEARS 6.14%

Medical trend is approximately 8-10% per year

WHAT IS MEDICAL TREND?

Medical trend reflects the annual increase in the cost of health care services and prescription drugs, driven by factors such as inflation, advances in medical technology, increased utilization of services, and rising pharmaceutical costs. Because medical trend compounds year after year, even modest increases can significantly affect the long-term cost of providing health coverage. For example, following a 10% trend, a health care service that costs \$100 today would be expected to cost approximately \$110 next year and \$121 the following year. Through active plan management, wellness initiatives, and a continued focus on cost containment, MMIA has consistently kept rate adjustments below prevailing medical trend, helping member-owners maintain stable, affordable benefits. Managing these pressures while preserving comprehensive coverage remains a key focus of MMIA's Employee Benefits Program.

COST SAVING INITIATIVES

- ProAct+ savings: \$5,164,242 over four years
- 340B Drug Pricing Alignment Program savings: \$678,025 over two years
- CRx International prescription mail order savings: \$2,625,440 over ten years
- Reference-Based Pricing savings: approximately \$1,000,000 **every year**

»» To give an idea of the scale of these savings, with the size of our current membership, \$1 million in savings equates to a 3% reduction in premium. So, for every \$1 million in savings, had we not instituted these programs, the rates would be 3% higher.

MESSAGE FROM THE BOARD CHAIR

As we look toward the future of MMIA, I am reminded that the strength of this organization has always come from its member-owners. For 40 years, Montana's cities and towns have demonstrated what is possible when local governments work together with a shared purpose. That foundation remains as strong today as it was when MMIA was first created, and it continues to guide the decisions we make on behalf of the membership.

Serving on the MMIA Board of Directors is both a responsibility and a privilege. Our Board is comprised of municipal leaders from communities across Montana, each bringing unique perspectives, experiences, and expertise to the table. While our individual roles may differ, we share a common commitment: ensuring that MMIA remains responsive, financially strong, and well-positioned to meet the evolving needs of the cities and towns we serve.

Supported by a staff of dedicated professionals, the Board's role is to look beyond today's challenges and opportunities and focus on the long-term health of the organization. Over the past year, we have been engaged in thoughtful strategic planning and governance efforts designed to strengthen MMIA for the years ahead. As the risk environment continues to evolve, we remain committed to ensuring that MMIA has the vision, resources, and leadership necessary to continue delivering value to members.

Throughout every discussion and every decision, the interests of our membership remain at the center of our work. We recognize the trust municipalities place in this organization, and we take seriously our responsibility to protect and advance that trust. The Board is committed to thoughtful stewardship, sound governance, and a deliberate approach to positioning MMIA for continued success.

As part of that commitment, we continue to evaluate the opportunities and needs that will shape MMIA's next chapter. The Board is confident that the organization is well-positioned for the future and remains focused on ensuring strong leadership, strategic direction, and organizational stability. We will continue to approach these responsibilities with care, diligence, and a steadfast focus on what best serves the cities and towns of Montana.

Most importantly, we believe the future of MMIA is bright. The collaborative spirit that brought municipalities together four decades ago remains one of our greatest strengths. By working collectively, sharing expertise, and supporting one another, Montana's local governments have built an organization that is both resilient and adaptable. Those qualities will continue to serve us well as we navigate new opportunities and challenges in the years ahead.

On behalf of the Board of Directors, thank you for your continued engagement, trust, and support. We come together to serve the membership and remain committed to ensuring that MMIA continues to be a strong and dependable partner for Montana's municipalities both now and into the future.

Sincerely,

Cassandra Tozer

Chair, Board of Directors

Montana Municipal Interlocal Authority (MMIA)



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MMIA
ANNIVERSARY

MMIA CONTACT INFORMATION

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www.mmiaeb.net

We strive to provide accurate and complete information in this Stewardship Report. However, with contributions from 127 member-owners and the complexity of claims involving all our programs, some differences in data may occur. These differences can result from variations due to timing of data collection or factors beyond our control. Financial information is unaudited. If you have questions regarding the information in this report, please contact MMIA leadership. MMIA responsibly leverages artificial intelligence to support content development and creative design, with all materials reviewed and approved by staff.