



Risk Management Solutions

Spring 2025

A Quarterly Newsletter of the AMIC/MWCF Loss Control Division

Risk Transfer and Contract Strategies

By: Wade Campbell, ARM, GSP • Loss Control Representative • AMIC/MWCF Loss Control Services

Risk transfer is a risk management and control strategy involving the contractual shifting of a risk from one party to another. Risk transfer is typically accomplished through contracts and insurance policies. An example would be the relationship established in a public works contract, where a political subdivision is entering into a contract with a contractor to construct a public building. In that relationship, the political subdivision and contractor should explicitly detail which entity assumes various risks through a written contract and insurance requirements.

Contract

A contract is a written or verbal agreement intended to be enforceable by law. A contract must contain consideration - the exchange of something of value by both sides - to be valid.

Insurance

Insurance is a voluntary arrangement between two parties - an insurance company and a policyholder - where the insurance company assumes defined financial risks for the policyholder. The starting point for any risk transfer when dealing with a third party is the contract establishing the parties' responsibilities. In that contract, along with the various terms and conditions, some of which may be required by various local, state and federal laws, you should concentrate on two provisions: (1) a provision on defense, indemnification and hold harmless, and (2) a provision on insurance.

Provision 1: Defense, Indemnification and Hold Harmless

The first provision should state that the contractor shall defend, indemnify and hold harmless your entity from any and all claims related to the performance of the contract. It is important to get all three requirements. The first requirement, defense, requires the contractor to pay for and assume the legal defense of your entity for any claims or suits arising from the performance of the contract. The second requirement, indemnification, requires the contractor to pay on your entity's behalf any and all damages or losses arising from the performance of the contract. The third requirement, hold harmless, requires the contractor to waive or release any claims it may have against your entity related to the performance of the contract.

Provision 2: Insurance Provision

The second provision should require the contractor to have adequate insurance to handle its defense and indemnification obligations under the contract, along with any other related risks. It should also require the contractor to have your entity named as additional insured on any of its relevant insurance policies. Further, your entity should require the contractor to provide certificates of insurance annually, and any other time there is an insurance change, to you to ensure ongoing insurance coverage.

Insurance should provide extra layers of protection for your entity. First, as required in the contract, it will make the contractor maintain appropriate insurance to cover all of its risks and all the risks it is assuming for your entity through the defense, indemnification and hold harmless contract provision. Your entity should request and receive a certificate of insurance evidencing the appropriate coverage(s). Second, your entity should be named as an additional insured under the contractor's insurance policy. Having additional insured status on a contractor's insurance policy gives your entity rights under the insurance policy. Additional insureds typically have narrower coverage than the insured contractor; however, your entity should be covered for the liability related to the underlying contract. The insurance policy should be endorsed to add your entity to the insurance coverage. Your entity should request and receive copies of the insurance policy and an additional insured endorsement, along with any certificates of insurance. A certificate of insurance is a form issued by an insurance company listing the coverage(s), expiration date(s) and limits of an insured's coverage(s) on a particular date in time. It will also include policy number(s), policy limits, insurer name, agent, coverage period and the insured's name. It may also describe any applicable endorsements. It is important to note, a certificate of insurance does not alter the terms or conditions of the actual insurance policy(ies), nor does it transfer any risk. It is a snapshot of the coverage in existence on the date it was generated.

Risk transfer is important because it allows risk to be managed and can reduce exposures to potential financial losses. By shifting the responsibility for certain risks to another, the impact of those risks can be mitigated. **For more information, please visit losscontrol.org or contact your loss control representative. ■**



Defining Moment

As the warm air of spring moves amidst the cool and moist atmosphere following a cold winter, the conditions become more favorable for thunderstorm development. **Some lightning safety tips may include:**

Outdoor Tips

- **Be aware:** Check the weather forecast before participating in outdoor activities.
- **Go indoors:** Remember the phrase, “**When thunder roars, go indoors.**” Find a safe, enclosed shelter when you hear thunder. Safe shelters include homes, offices, shopping centers and hard-top vehicles with the windows rolled up.
- **Seek shelter immediately, even if caught out in the open:** Act quickly to find adequate shelter. Crouching or getting low to the ground can reduce your chances of being struck but does not remove you from danger.
- **Separate:** If you are in a group during a thunderstorm, separate from each other. This will reduce the number of injuries if lightning strikes the ground.
- **Don’t stay in open vehicles, structures and spaces.**
- **Don’t stay near tall structures.**

Indoor Tips

- **Avoid water:** Do NOT bathe, shower, wash dishes or have any contact with water during a thunderstorm because lightning can travel through a building’s plumbing.
- **Avoid electronic equipment:** Do NOT use your computers, laptops, game systems, washers, dryers, stoves or anything connected to an electrical outlet. Lightning can travel through electrical systems; radio and television reception systems; and any metal wires or bars in concrete walls or flooring. Equip your home with whole-house surge protectors to protect your appliances.
- **Avoid corded phones:** Corded phones are NOT safe to use during a thunderstorm. Do NOT use them. However, it is safe to use cordless or cellular phones during a storm.
- **Avoid windows, doors, porches and concrete:** Do NOT lie on concrete floors during a thunderstorm. Also, avoid leaning on concrete walls. Lightning can travel through any metal wires or bars in concrete walls or flooring.

Sources: Centers for Disease Control and Prevention and the U.S. Environmental Protection Agency

Training for Law Enforcement

Included with your AMIC/MWCF membership

Featured Courses

Duty to Intercede

Learn when and how officers must legally intervene and report excessive use of force.

Defensive Driving Techniques

Improve emergency vehicle handling, reduce risk, and increase safety during patrols and high-pressure situations.



Get Started

Scan the QR code or visit
alalm.localgovu.com
Sign in or register for access

Need Help?

Contact Ana Walls at
469-553-0634
AWalls@lexipol.com

New to the platform? Sign in and [watch our quick onboarding video](#) to learn how to add users and access training.



Loss Control Division
of the Alabama Municipal Insurance Corporation and
the Municipal Workers Compensation Fund



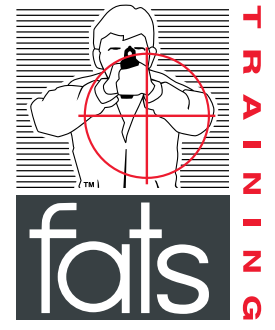
Employment Practices Law HOTLINE



1-800-864-5324

Through a toll-free Employment Practices Law Hotline, members can speak directly with an attorney specializing in employment-related issues. When faced with a potential employment situation, the hotline provides a no-cost, 30-minute consultation.

Request the Firearms Training System Today



The Firearms Training System (FATS) is an excellent training tool designed to develop and sharpen a police officer's discretionary skills as well as reinforce conflict resolution abilities.

As our society has become more violent - and the scrutiny on police officers more pervasive - the need for judgmental firearms training has become more crucial. FATS utilizes digital interactive training technology, allowing officers to develop decision-making skills by responding to real-life scenarios where force may be necessary.

Contact the Loss Control Division at (334) 262-2566 or email Deena Pregno at Dpregno@almonline.org to find out when FATS will be in your area. You can also request the FATS system, by completing the online form at losscontrol.org. ■



Pricing for FATS training:

AMIC Member	\$25.00 per person
MWCF Member	\$25.00 per person
ALM Only Member	\$50.00 per person
Non-Member Rate	\$100.00 per person

View the FATS in action by scanning this QR code!



Scan this QR code to access the FATS system request form.



Are You Promptly Reporting Events?

The Municipal Workers Compensation Fund (MWCF) and the Alabama Municipal Insurance Corporation (AMIC) require the timely reporting of accidents, injuries or events that could develop into a claim or lawsuit against the municipality. When events of this nature occur, please ensure that the appropriate personnel are notified and reporting to your insurance carriers is completed in a timely manner.



Members of the Municipal Workers Comp Fund can report work injury claims 24 hours a day, seven days a week by filling out the First Report of Injury Form and emailing the form to FROI@mrm-llc.com or fax to (205) 777-6097. All claims should be reported immediately upon notification to the employer.

Please email AMIC the following information:

1. Notice of incidents, events or potential claims
2. Notice of Official Claims
3. Lawsuits and EEOC Charges of Discrimination

AMIC has designated a specific email address for claims reporting: newclaim@AMICentral.org.

2024 Risk Management Awards

In recognition of the efforts and successes of our members, the AMIC and MWCF Board of Directors established the Risk Management Awards system in 2002. Awards are determined based on the loss ratios for each member’s prior year. For members of both the AMIC and MWCF programs, the loss ratios are combined and divided by two to reflect the overall loss ratio. Members are eligible to receive the President’s Award once every five years and the Gold, Silver and Bronze annually.

ALM President’s Award (Top 5% for 5 years)	Ranburne Water & Sewer Red Bay Sewage Disposal Board Reece City Rehobeth Renaissance Cooperative District Renaissance Improvement District Riverview Water Rocky Ridge Fire District Sand Rock Sanford Shiloh Slocomb Housing Authority Storm Water Management Authority Thomaston Water & Gas Toxey Troy Industrial Development Board Tuscumbia Utilities Department Union Upper Bear Creek Water, Sewer & FPA Vincent Vinemont Providence Fire Department West Lawrence Water Cooperative West Point Westover	Berlin Bessemer Airport Authority Bessemer Public Library Beulah Utilities District Billingsley Birmingham Parking Authority Black Black Warrior Solid Waste Authority Blountsville Housing Authority Blountsville Utilities Blue Springs Boaz Gas Board Boaz Water & Sewer Board Boligee Brantley Housing Authority Brent Housing Authority Brewton Housing Authority Bridgeport Bridgeport Housing Authority Bridgeport Utility Board Brighton Brookside Brookside Water System Butler Butler Utilities Calera Housing Authority Calera Waterworks Calhoun County 911 Camden Camp Hill Camp Hill Utilities Carbon Hill Housing Authority Carolina Carroll’s Creek Fire Protection Castleberry Cedar Bluff Utility Board Central AL Regional Planning Comm. Centreville Centreville Water Works & Sewer Bd. Chatom Cherokee County Water Authority Cherokee Ridge Chickasaw Housing Authority Chickasaw Utilities Childersburg Waterworks, Sewer & Gas Chilton County Solid Waste Disposal Citronelle Historical Preservation Clanton Housing Authority Clanton Water Works Clay Clay Co. Emergency Rescue Squad Clayhatchee Clayhatchee Volunteer Fire Dept. Clayton Housing Authority Clayton Water & Sewer Coffee Springs Coker Coker Water Authority Collinsville Collinsville Water & Sewer Board Columbia Columbiana Waterworks Coosa Valley Water Supply Cordova Economic & Industrial Development Authority Cordova Water & Gas Board Cottonwood Housing Authority County Line Covington County Economy Craig Field Airport Authority Crane Hill Volunteer Fire Department Crossville Water Works Board Cuba	Cuba Water and Sewer Board Cusseta Dadeville Gas Board Dadeville Housing Authority Dadeville Water & Sewer Daleville City Board of Education Daleville Housing Authority Dallas County Water & Sewer Dauphin Island Water & Sewer Deatsville Deatsville VFD, Inc. Dekalb-Cherokee Counties Gas District Demopolis Water & Sewer Board Detroit Dodge City Dora Water & Gas Board Double Springs Double Springs Waterworks Board Douglas Dozier Dutton East Alabama Mental Health East Brewton East Brewton Waterworks & Sewer East Central Alabama Gas District East Geneva Co. Sr. Citizens Committee Elba Water & Electric Board Eldridge Electric Cities of Alabama Elkmont Elmore Elmore Co. Economic Dev. Authority Elmore County Industrial Emelle Epes Eufaula Housing Authority Eutaw Housing Authority Eva Evergreen Evergreen Housing Authority Excel Facility Committee Inc. & Jackson Swim Team Fairfield Fairhope Public Library Fairview Faunsdale Fayette Gas Board Fayette Water Works Board Five Points Florala Housing Authority Florala Water & Sewer Board Foley Public Athletic & Sports Facilities Foley Public Facilities Forestdale Fire District Forkland Fort Deposit Fort Deposit Water Works & Sewer Bd. Fort Payne Improvement Authority Franklin Fruithurst Fruithurst Fire Department Fulton Fulton Utilities Fultondale Gas Board Fyffe Gadsden Airport Gainesville Gainesville VFD Gantt Gaylesville Geiger Geneva County Gas District Georgiana Housing Authority Gilbertown Utility Glen Allen Glencoe Water & Sewer Glenwood Good Hope Goodwater Waterworks & Sewer Board Gordo Water Board	Gordonville Goshen & Goshen Water Works Government Utility Services Grand Bay Water System Grant Graysville Graysville Public Library Greensboro Utility Board Greenville Housing Authority Greenville Water Works & Sewer Board Greenville YMCA Guin Guin Water Works & Sewer Board Guntersville Electric Board Guntersville Water & Sewer Board Gurley Hackleburg Water Board Hamilton Housing Authority Hammondville Hanceville Housing Authority Hanceville Water Works Harpersville Water Board Hartselle Housing Authority Hayden Heath Henagar Highland Lake Hobson City Hobson City Housing Authority Hodges Hokes Bluff Hollywood Huntsville Tennis Center Bd. of Control Huntsville-Madison County Airport Hurtsboro Hurtsboro Water Works HyTop Indian Springs Jackson’s Gap Jackson’s Gap Water Authority Jasper Water & Sewer Jefferson County EMA Keep Troy Beautiful Kellyton Kennedy Kinsey Kinston Lakeview Fire Protection District Lamar Ambulance Service Langston Leighton Water and Sewer Board Linden Linden Housing Authority Linden Utilities Lineville Water & Sewer Lipscomb Lisman Loachapoka Lockhart Lockhart-Florala Wastewater Treatment Plant Louisville Lowndesboro Luverne Electric Board Luverne Housing Authority Lyeffion Water Authority, Inc. Madrid Magnolia Springs Malvern Maplesville Maplesville Utilities Margaret Marion Maytown McIntosh Mentone Midcity Improvement District Midway Millerville Water Authority Millport Minor Heights Fire District
Gold Award (Loss ratio below 5%)	Abbeville Water & Sewer Addison Alabama League of Municipalities Alabama Municipal Electric Authority Alabama Municipal Funding Corp. Alabama Municipal Insurance Corp. Albertville and Boaz Recycling & Solid Waste Disposal Albertville Board of Education Albertville Utilities Aliceville Aliceville Governmental Utilities Svcs. Corp. Aliceville Housing Authority Aliceville Industrial Development Board Allgood ALM ACE, LLC Altoona Andalusia Board Of Education Anderson Anniston Housing Authority Anniston Public Library Anniston Water Board Arab Water Works Board Ardmore Water & Sewer Argo Ariton Ariton Sewer Board Ariton Waterworks and Sewer Board Arley Asbury Water Authority Ashland Water Works & Sewer Board Atmore Housing Authority Autaugaville B.B. Comer Memorial Library Babbie Baileyton Baker Hill Banks Bay Minette Housing Authority Bayou La Batre Water & Sewer Bear Creek Development Authority Beatrice Beaverton Belk Benton			

Mobile Housing Board	Rehobeth	Walnut Grove	Huguley Water & Fire Protection Auth.	Auburn Water Board
Mobile Improvement District	Renaissance Cooperative District	Warrior	Jackson	Bayou La Batre
Mobile Public Library	Renaissance Improvement District	Washington Co. Health Care Authority	Jackson Water & Sewer Board	Bear Creek
Monroeville	Repton	Washington County Library Board	Jacksonville	Bessemer Electric and Water
Monroeville Water Works Board	Riverside	Waterloo	Jemison	Birmingham Airport Authority
Moody Utilities	Riverview	Wattsville Water Authority	Kimberly	Birminghamport Fire District
Mooresville	Riverview Water	Wave Transit System	LaFayette	Brantley
Mosses	Roanoke Utility Board	Waverly	Lake View	Brewton
Moulton Housing Authority	Rockford Volunteer Fire Department	Weaver	Lee Russell Council of Governments	Calera
Mount Vernon	Rocky Ridge Fire District	Webb	Leesburg	Carrollton
Mulga Water & Gas	Rogersville	Wedowee Water, Sewer & Gas Board	Lineville	Chatom Utilities
Munford	Rogersville Waterworks & Sewer	West Blocton	Livingston	Cherokee
Municipal Intercept Services	Russellville Electric Board	West Escambia Utilities	Locust Fork	Clanton
Municipal Workers Comp Fund, Inc.	Russellville Housing Authority	West Etowah County Water Authority	Luverne	Clarke-Mobile Co. Gas District
Myrtlewood	Rutledge	West Jefferson	Marshall County Gas	Coaling
Napier Field	Saint Florian	West Lawrence Water Cooperative	McAdory Area Fire District	Courtland
Natural Bridge	Sand Rock	West Point	Montgomery Housing Authority	Daleville
Nauvoo Waterworks	Sanford	Westover	Moody	Daphne
Nectar	Sardis City Waterworks Board	White Hall	Morris	Demopolis
New Brockton Water and Sewer Board	Scottsboro Electric Power	Wilcox County Gas	Moundville	Dothan
New London Water, Sewer & FPA	Scottsboro Public Library	Wilton	Muscle Shoals Electric Board	E. Alabama Regional Planning & Development Commission
Newbern	Section	Winfield Water Works & Sewer Board	Muscle Shoals Utilities	Eclectic
Newton Housing Authority	Section Dutton Waterworks	Winston Cooperative District	Nauvoo	Enterprise
Newville	Shiloh	Winston Co. Industrial Dev. Authority	New Hope	Enterprise Rescue
North Alabama Gas District	Shorter	Wolf Creek Water, Sewer & FPA	Newton	Fairhope
North Central Alabama Regional Council of Governments	Slocomb Housing Authority	Woodland	Newton Water & Sewer	Fayette
North Courtland	Slocomb Water & Sewer	Woodville	Northport	Five Stars Water District
North Johns	Smiths Station	Yellow Bluff	N.W. Alabama Council of Local Governments	Floral
N.E. AL Agri Business Center	S. Alabama Regional Airport Authority	<div>Silver Award</div> <div>(Loss ratio of 5% - 20%)</div>	Odenville	Foley
N.E. AL Gas Cooperative District	S. Central Alabama Dev. Commission		Oneonta Utilities	Fort Payne
Northport Housing Authority	S. Central Alabama Development Commission/ Senior Aides Division	Abbeville	Orange Beach Water & Sewer Board	Garden City
Northwest St. Clair County Water	S. Central AL Reg. Housing Authority	Albertville	Orange Beach Water & Sewer Board	Gilbertown
Notasulga	S.E. Gas Acquisition and Supply Assoc.	Andalusia Utilities Board	Oxford Water Works Board	Greenville
Oak Hill	S.E. Shelby County Emergency Rescue	Ardmore	Pell City	Grove Hill
Oakman	Steele Waterworks Board	Ashland, Goodwater-Lineville Solid Waste Disposal Authority	Phenix City Utilities	Gulf Shores Utility Board
Ohatchee	Stevenson	Ashville	Phil Campbell	Hackleburg
Opp Housing Authority	Storm Water Management Authority	Athens Utilities	Pinckard	Hanceville
Orange Beach Public Library	Sulligent	Auburn Housing Authority	Red Bay Water & Gas	Hartselle Utilities
Orrville	Sulligent Housing Authority	Baldwin Co. Solid Waste Disposal Auth.	Robertsdale	Hayneville
Owens Cross Roads	Susan Moore	Berry	Russellville	Helena
Ozark Board of Education	Sweet Water	Birmingham-Jefferson Co. Transit Auth.	Samson	Helena Utilities
Ozark Dale Co., E-911	Sweet Water Waterworks	Blountsville	Scottsboro Waterworks, Sewer & Gas Board	Holly Pond
Ozark Dale Co. Economic Dev. Corp.	Sylacauga Parks & Recreation	Brent	Semmes	Hueytown
Ozark Housing Community	Sylvan Springs	Brent Utilities	Skyline	Huntsville - Huntsville Transit
Ozark Utilities	Talladega Springs	Brookwood	Slocomb	Jefferson County 911
Paint Rock	Tallassee Industrial Development Board	Carbon Hill Utility Board	Snead	Killen
Park City Water Authority	Tallassee Redevelopment Authority	Cedar Bluff	South Alabama Gas	Leighton
Parrish Water & Sewer Board	Tarrant Electric Board	Centre	Stevenson Utilities	Level Plains
Pell City Housing Authority	The Tuskegee - UBT Cooperative District	Chickasaw	Sumiton Water Board	Lincoln
Pennington Utilities	Thomaston	Childersburg	Sylvania	Millbrook
Perdido Beach	Thomaston Water & Gas	Citronelle	Tallassee	Millry
Phil Campbell Housing Authority	Thomasville Waterworks & Sewer	Clayton	Top of Alabama Regional Council of Governments	Mobile Airport Authority
Phil Campbell Water & Sewer Board	Thorsby	Colony	Town Creek	Mobile County Personnel Board
Pickens County Gas	Top Trails - AKA Public Park Authority of Lincoln and Talladega	Cowarts	Triana	Montevallo
Pickensville	Toxey	Crossville	Tuscaloosa Parking & Transit Auth.	Moulton
Piedmont	Trafford	Cullman Solid Waste Disposal	Tuskegee Utility Board	New Site
Pike Road	Trinity	Cullman Utilities	Tuskegee-Macon Co. Head Start	Opelika
Pike Road Volunteer Fire Protection Auth.	Tuscumbia	Dadeville	Union Springs	Orange Beach
Pine Hill	Tuscumbia Gas Department	Dauphin Island	USS Alabama Battleship Comm.	Oxford
Pine Ridge	Tuscumbia Housing Authority	Decatur Municipal Utility Board	Wadley	Oxford Health Care Authority
Pinson	Tuscumbia Utilities Department	E. AL Water, Sewer & Fire Protection	Warrior River Water Authority	Parrish
Pleasant Groves	Tuscumbia Water Department	Eufaula Water Works	Wedowee	Phenix City
Pollard	Tuskegee Housing Authority	Eutaw	W. Alabama Regional Commission	Prattville
Powell	Twin	Flomaton	Winfield	Ragland
Prattville Historic Redevelopment Auth.	Union	Florence Gas Department	Woodstock	Rainbow City
Prattville Solid Waste Authority	Union Grove	Gadsden	<div>Bronze Award</div> <div>(Loss ratio of 20% - 40%)</div>	River Falls
Prattville Waterworks	Union Grove Utilities	Gardendale		Riviera Utilities
Prichard Water	Uniontown	Georgiana Water & Sewer	Adamsville	Russellville Gas Board
Providence	Upper Bear Creek Water, Sewer & FPA	Geraldine	Alexander City	Saraland
Public Cultural & Entertainment Facilities Co-Op	Uriah Water System	Goose Pond Colony Resort Public Park & Recreations Board	Anniston	Satsuma
Quint Mar Water	Vance Fire Protection District	Greensboro	Arab	South Vinemont
Ragland Water Works Board	Vernon Water & Sewer Board	Guntersville	Ashland	Southside
Rainbow City Utilities Board	Vina	Haleyville	Athens	Summerdale
Ranburne Water & Sewer	Vincent	Haleyville Water & Sewer Board	Atmore	Sylacauga
Red Bay	Vincent Water & Sewer	Hamilton	Attalla	Sylacauga Utilities
Red Bay Sewage Disposal Board	Vinemont Providence Fire Department	Harpersville		Tarrant City
Red Level	Vredenburg	Hartford		Taylor
Reece City				Thomasville
Reform Housing Authority				Troy
Reform Water & Sewer Board				Tuscaloosa Co. Parks & Recreation Authority
				Valley Head
				Vance
				Wetumpka

2025 SKIDCAR Schedule

Through an advanced, computer-controlled driver training vehicle known as the SKIDCAR System, trainees learn how to react quickly and safely to a range of hazardous driving conditions. Training is conducted throughout the state at a minimal cost. If you would like to schedule or host a SKIDCAR session in your area, please contact **Donna Wagner** at (334) 386-8125.

Russellville	May 27 - June 6	Gadsden	September 9 - 19
Rainsville	July 8 - 18	Vestavia Hills	October 7 - 17
Decatur	August 12 - 22	Oneonta	November 12 - 21

Register and pay online at www.losscontrol.org!



Loss Control Division

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- Workplace Stress Resiliency

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