



November 18, 2024

Mr. Randy Logan  
Georgia Interlocal Risk Management Agency  
c/o Georgia Municipal Association  
PO Box 105377  
Atlanta, GA 30348

Dear Mr. Logan:

I am writing on behalf of Milton Families First, a citizens advocacy organization working to protect all the things that make Milton the best place to live, work, and raise a family. We believe great cities starts with great governments. That's why we are laser focused on holding our government officials accountable so that they always put our interests above their own.

That same accountability must apply to the vendors and service providers our City relies on to serve the interests of taxpayers.

To that end, we are dismayed and disappointed in Georgia Interlocal Risk Management Agency's (GIRMA) judgment and stewardship of Member funds in handling the defense of the *Chang v Milton* case. The taxpayers of Milton are at financial risk every day that GIRMA handles the City's insurance needs. That same risk exists for all your Members, leaving taxpayers across the state far more vulnerable to financial ruin than they know.

Since the City's incorporation in 2006, the taxpayers of Milton have footed the bill for millions of dollars in premium payments. Premiums that continue to go up and up...\$274,000 last year and \$325,000 this year (a nearly 19% year-over-year increase).

For that, taxpayers expect and deserve the very best coverage and legal protections from an insurance company who brands itself as the expert in meeting local governments' insurance needs. More than 370 Georgia cities and governmental entities rely on GIRMA to protect its assets.

The question is, should they?

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And, as taxpayers, should we?

On November 19, 2016, Joshua Chang was tragically killed in a fatal accident in Milton, GA. His family filed a wrongful death claim against the City of Milton. Through its policy agreement with the City of Milton, it was GIRMA who was contractually obligated to litigate the claim, the liability and the law.

What is indisputable is that GIRMA failed in its obligation to fully exercise its duty to defend one of its Members. That Member being the City of Milton.

In the *Chang* litigation, GIRMA's duty was to defend the lawsuit. However, by no measure did GIRMA exercise its duty in ways that best protected Milton taxpayers.

The Chang family hired the Harris, Lowry, Maton law firm. A firm that touts itself as being "the only Georgia firm to secure #1 verdicts in seven different categories."

The Chang family hired a firm that has, in the last few years, secured:

- seven verdicts in excess of \$25 million;
- seven verdicts between \$10 million and \$20 million; and
- four more verdicts between \$5 million and \$9.85 million.

The Chang family hired a law firm with 11 lawyers...lawyers who are in the Georgia Verdicts Hall of Fame, who have been honored on the Georgia Super Lawyers Top 100 list, who are on the National Trial Lawyers Top 100 list and who are part of the National Association of Distinguished Counsel's Top One Percent list.

To defend the City of Milton, GIRMA hired a lawyer who, according to his website, practices alone. A lawyer who does **not** specialize in civil litigation and personal injury defense. Instead, the GIRMA-hired lawyer's website highlights a very diverse practice, devoid any expertise in any particular area.

According to his website, the GIRMA-hired lawyer "regularly handles cases concerning contract litigation, insurance coverage disputes, civil rights litigation, and personal injury cases. As part of his business law practice, he has provided legal services to small and mid-size business on matters ranging from business formation to business succession and all matters in between. He regularly is involved in negotiating contracts on behalf of his clients, drafting business agreements, litigating employment disputes, litigating contract disputes, advising clients on the legal ramifications of anticipated business actions, and handling bill collection actions...His family law practice, which includes handling divorces, child custody modifications, child support modifications, and other matters, was a natural extension from his work in the probate courts."

Further, when examining all cases in Westlaw in which the GIRMA-hired lawyer appears, we find 30 cases<sup>1</sup>. The mix of those cases is startling.

90 percent of his cases related to alleged police misconduct, right-of-way access disputes, criminal cases, insurance coverage disputes and malicious prosecution.

Only two cases – two – were wrongful death cases.

A GIRMA-hired sole practitioner, without special expertise and focus on personal injury defense, and a case load far removed from the facts at issue in the *Chang* case versus an 11-member law firm that focuses exclusively on personal injury cases...and with great success.

What could possibly go wrong?

You know the stunning answer to that question.

A Fulton County jury found the City of Milton liable for more than \$30 million in damages.

The law firm hired by the Chang family, and other personal injury firms like them, specialize in weaving emotional narratives that are not consistent with the facts. Their expertise was no match for the GIRMA-hired lawyer whose defense was simply not what Milton taxpayers expected or deserved. In many ways, the failure here was not the fault of the GIRMA-hired lawyer. It was GIRMA itself. It is GIRMA that is responsible for dogged defense of its Members, attentive case management and the selection of legal representation that matches the resources being brought to bear by the other side.

The Georgia Court of Appeals upheld the verdict and found that the City's sovereign immunity cap of \$2 million does not apply. The decision puts Milton taxpayers on the hook for \$35 million and counting as post-judgment interest payments are applied.

Here's the irony. The most GIRMA is responsible for under its policy with the City of Milton is \$2 million.

GIRMA pays \$2 million. Milton taxpayers pay \$30+ million.

For GIRMA, an underfunded defense and the hiring of a lawyer without the necessary expertise and resources, is of little financial impact to GIRMA. You spend a small sum to pay a small sum relative to the obligation now held by Milton taxpayers.

What is worse is that the Appellate Court decision made clear that GIRMA rejected seven offers to settle the case, including one as low as \$1.75 million.

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<sup>1</sup> Westlaw does not capture and record every case in which a particular lawyer is involved.

And why would GIRMA settle? Again, the most GIRMA would pay is \$2 million. A jury verdict higher than that would be the sole responsibility of Milton taxpayers.

Some in our community have suggested that the City is at fault. That the City should have retained and engaged separate counsel to oversee the case and protect the City's interests.

Unfortunately, however, GIRMA knows the folly of such a suggestion.

Your policy agreement with the City of Milton and, presumably, all the cities and governmental entities you serve include the following language in Section III B of the GIRMA Coverage Agreement:

*"GIRMA shall have the **right** and duty to defend any suit against the Member"* [in this case, the City of Milton, GA]...(emphasis added)

*"...and may make such investigation and settlement of any claim or suit as it deems expedient **in its sole discretion.**"* (emphasis added)

*"GIRMA shall have **the right to select counsel**"* (emphasis added)

You also know that, according to GIRMA's policy agreement, *"a Member may hire co-defense counsel, at Named Member's expense, to assist in the defense of claims, provided the attorney selected by GIRMA shall be lead counsel."*

With such a stranglehold on its rights to retain counsel – and the inability of that additional counsel to take the lead – why would the City of Milton further burden its taxpayers for an expense that would create no discernable value?

In the *Chang* case, any outside counsel hired by the City of Milton would have had no discernable voice or role.

As a citizens advocacy organization in Milton, with a mission to advance good government in our community, it is our hope that:

- The City of Milton pursue an action against GIRMA consistent with the terms of your policy agreement; an action that can only be taken once the terms of your coverage agreement have been met.
- Your more than 370 members look to the private market to provide their insurance coverage.
- The Georgia General Assembly impose new regulatory restrictions on trade associations, like yours, who also run insurance companies;
- And that the Georgia General Assembly further tighten sovereign immunity limits so that your failure to provide an adequate defense does not put future taxpayers, like us, at risk.

The handling of the *Chang v. Milton* case has exposed a glaring failure in GIRMA's duty to protect its Members and their taxpayers. The decisions made—from selecting underqualified legal counsel to rejecting reasonable settlement offers—have left the City of Milton and its citizens bearing an unconscionable financial burden.

This case not only raises serious doubts about GIRMA's ability to serve its members effectively but also highlights systemic issues that jeopardize public trust. The questions posed earlier in this letter remain pressing: Should taxpayers and local governments continue to rely on GIRMA for coverage? And, given this outcome, how can other Member cities and entities trust that they will receive the competent defense and advocacy they deserve?

The residents of Milton, and indeed those of every Member community, deserve better.

Sincerely,

A handwritten signature in black ink that reads "Adam Hollingsworth". The signature is written in a cursive style with a horizontal line extending from the end.

**Adam Hollingsworth**  
**President**  
**Milton Families First**

cc: The Honorable Peyton Jamison, Mayor, City of Milton  
Members, Milton City Council  
Mr. Steve Krokoff, City Manager, City of Milton  
Mr. Ken Jarrard, City Attorney, City of Milton  
Mr. Larry Hanson, Executive Director, Georgia Municipal Association  
Ms. Marcia Hampton, City Manager, City of Douglasville