

The Municipal RISK MANAGER

OCTOBER 2010

A Publication of the Maine Municipal Association

The Rewards of Risk Management

Nearly \$13 MILLION Awarded to Our Membership Since 1997

Due to the sound management, underwriting and favorable loss histories of their members, the Property & Casualty Pool and Workers Compensation Fund announced the distribution of dividends

totaling \$998,797. Both governing boards are very pleased with the results of their respective programs and our membership for their support and continued participation. Good management practices and sound loss prevention measures on the part of all of the members have contributed to the success of these programs.

The Maine Municipal Association offers three self-funded pools for municipal and quasi-public entities in Maine; the Workers Compensation Fund formed in 1978, the Property & Casualty Pool formed in 1987 and the Unemployment Compensation Fund formed in 1978. The programs



Town of Thomaston (Valmore Blastow Jr. Town Manager, Marcus Ballou MMA, John Fancy Sanitation Superintendent, James Connon Public Works Director, Kevin Haj Police Chief)

are overseen by governing boards of elected and appointed municipal officials. Each year the boards review the programs' loss experience to determine if dividends may

be paid. Patricia Kablitz, Director of Risk Management Services for MMA, said more than 75 percent of program participants receive dividends each year for their good risk management practices and loss experience. To qualify for a dividend the Member must be a current participant of the Workers Compensation

Fund, Property & Casualty Pool or the Unemployment Compensation Fund and must have been a participant for three full consecutive years. If a member participates in both the Workers Compensation Fund and the Property & Casualty Pool, they earn an additional 1% dividend in each program. Dividends are not guaranteed from year to year, and their award depends not only on the claims experience

of the individual member but also on the overall claims experience of the Pool and the Fund(s).

All of us at MMA Risk Management Services would like to take this moment to congratulate the efforts of our Membership. 🏠



Town of St Albans (Rhonda Starks, Town Manager)



Town of Troy (Sharon Moody, Clerk, Tax Collector/Treasurer)



Town of Waldoboro (John Daigle Public Works Director, Bill LaBombarde Chief of Police, Eileen Dondlinger Finance Director and Mike Monk EMS Director)

Preventing Losses in Vacant Properties

Economic times have created many hardships for Maine municipalities. One hardship is the maintenance and upkeep of buildings, compounded by the influx of tax acquired properties. Unfortunately, municipalities are finding that funds are not always available to keep the buildings in a usable condition. Allowing continued occupancy or a productive use for a building simply is not an option. The municipality is left with the elevated exposure of vacant properties, but this should not also become a claim waiting to occur.

A municipality can deter that risk presented by vacant properties by implementing some basic considerations:

Maintenance

- Complete repairs prior to securing the building.
- Perform scheduled visits at a minimum of one recorded visit per week to inspect all areas of the building.
- Immediately repair damage and graffiti due to vandalism.
- Keep the area clean of the buildup of trash from illegal dumping.



The Municipal Risk Manager

The Municipal Risk Manager is published seasonally to inform you of developments in municipal risk management which may be of interest to you in your daily business activities. The information in these articles is general in nature and should not be considered advice for any specific risk management or legal question; you should consult with legal counsel or other qualified professional of your own choice.

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- Maintain a fire barrier by removing all combustible items within 25 feet of the building and keep vegetation cut short.

- Test all fire protection system alarms quarterly if the building is equipped. Be sure to winterize the system to prevent freezing.

Security

- Secure all entrances to prevent unauthorized entry.
- Consider covering windows with plywood. If the building has skylights, verify that they are secure.
- Consider a fenced enclosure.
- Illuminate the location if practical.
- Patrol the area and inspect the building's condition.

Weatherization

- Drain plumbing and heating systems that will not be used, clear the water system, and label all winterized items. This will help prevent costly water damage loss due to frozen pipes.

- Attempt to maintain the building's temperature to at least 40 degrees Fahrenheit.

- Plan for environmental hazards such as rain, high winds, ice and snow.

- Make sure the roof is in good condition to prevent water damage.

- Check windows and doors to ensure that they maintain good seals.

By their very nature, vacant buildings are an attractive nuisance. By keeping these buildings well maintained and well monitored, you will reduce their likelihood of becoming a target and a claim. 🏠



Workers Compensation Fund Renewal Applications Are On the Way

It is renewal time again and we are here to help. The renewal applications for the Workers Compensation Fund are due by mid October 2010 and we want our Membership to know that help is available. If you would like assistance with the completion of your application or just have questions, please contact Marcus Ballou (mballou@memun.org) or Judy Doore (jdoore@memun.org) at 1-(800)590-5583, so that we may provide assistance and ensure that your entity receives the proper level of service and protection.

We truly appreciate your coopera-

tion in this process as it is critical to having a successful renewal. The continuing prosperity of the Workers Compensation Fund cannot occur without the participation of the Membership. 🏠



December: Identity Theft Protection and Awareness Month

In a time when most of us find ourselves conducting business in front of a computer, it is no surprise that the personal and financial information of businesses and individuals is only a click away. Computers are used by practically all of us to find, generate and store data that is used to transact our daily operations. Due to their ease of use, computers have become a necessary business tool for many of us, but computers are also a tool for others who choose to abuse them for their personal gain. Identity theft can be defined as fraudulently obtaining an identity of another for the purpose of using that person's identity to steal or commit offenses. There are many ways to steal an identity so it is important that you protect yourself and your municipality. You can help to protect your municipality by adopting an internet/computer use policy and by the implementation of some risk management techniques.

Follow these Risk Management suggestions to protect yourself online:

- **Develop and implement procedures for internet and computer usage.** Sample Internet Policies for Municipalities are available on the Maine Municipal Association website: http://www.memun.org/members/infopks/Legal/appropriate_use.htm.
- **Limit personal information that you post in e-mail, instant messages or on the Web.**
- **Avoid storing sensitive information like credit card numbers or Social Security numbers on a computer.**
- **Compliance with the Red Flags Rule is required for entities that regularly permit deferred payments for goods or services.** Such

an entity is required to adopt an identity-theft prevention and detection program. For more information and sample forms please visit: http://www.memun.org/members/infopks/Legal/red_flags_rule.htm

- **Restrict access to data which contains the personal information of others.**
- **Do not open files, download programs or click links contained in e-mails or in instant messages.**
- **Dedicate one credit card for online purchases only.**
- **Ensure that your Web browser is updated so that you have the latest security features installed.**
- **Before disposing of a computer, be sure to "wipe" all data from the hard drives.**
- **Have installed and up to date tools such as firewall, anti-virus and anti-spyware security software.**
- **Use strong passwords that include a combination of upper and lower case letters, numbers and symbols.**

- **Don't enable a login screen to save your username and password**

It is also important to protect data when you are offline as well. These are some basic steps you can take to protect against offline identity theft.

- **Shred all documents that contain personal information such as financial documents and credit applications.**
- **Memorize your passwords and other account numbers.**
- **Limit the number of bank accounts you have and develop a**

policy for the opening of new bank accounts.

- **When ordering new checks, request to pick them up from the bank.**
- **Use secured mailboxes** 📬

WWW.MEMUN.ORG

Property & Casualty Pool

Workers Compensation Fund

Unemployment
Compensation Fund

Loss Control

Grants & Scholarships

Best Practices

Underwriting

Certificate Requests

Schedule Changes

Supplemental Coverages

Online Claims Reporting

Visit us and find what you are looking for.

Online Safety Training

Interactive Web-Based Learning

UPDATED & EXPANDED!



**Maine Municipal Association
Risk Management Services**

Maine Municipal Association Risk Management Services is excited to announce an expansion of the on-line training courses available thru the MMA website. We offer courses in safety, health and human relations which are geared specifically to municipal operations. Risk Management Services continues to offer the courses at no cost to the Membership as a value-added service.

An *ADDITIONAL FIVE COURSES* have been added, bringing the total offering to thirty-six courses. The New topics are:

- Accident / Incident Investigation
- Effective Law Enforcement Communication
- Occupational Disease Prevention for Firefighters
- Safety Awareness for Seasonal Employees
- Safety Awareness Program for Supervisors

The website also offers demonstration courses for prospective new users, provides more reports for program administrators and an expanded resource library. More than 10,000 users have taken over 58,000 courses since MMA first offered online training in October 2004.

For more information about online training, visit the website at www.memun.org/RMS/LC/default.htm or contact Deb Balmer in the Loss Control Department of Risk Management Services at 626-5583 or 1-800-590-5583 ext. 2240.

<http://www.memun.org/RMS/RMS.htm>

**Available to Members of MMA's Property
& Casualty Pool and Workers Compensation Fund**