



25th Anniversary!!!

The 25th Anniversary of the Maine Municipal Association Workers Compensation Fund will be celebrated in the year 2003. Since its beginning in 1978 to the present, the Fund has grown in membership and evolved in the level of service offered to become the premier choice for municipal coverage in the State of Maine.

The Fund exists as a group self-insurer under a Certificate of Authority issued by the Bureau of Insurance every year. The Fund operates in full compliance with Rule Chapter 250 and the Regulations of the Bureau of Insurance. The Bureau receives and reviews the Fund's loss data, actuarial and financial reports every year, as well as its reinsurance coverage. The Fund is also a member of the National Council on Compensation Insurance (NCCI) and files both claims and payroll data with NCCI so that members' experience modification factors can be calculated by NCCI each year.

When the Fund began in 1978, there were eleven participating members. Ten of them have participated continuously and are about to begin their 25th year of coverage in the Fund. At the ten-year anniversary of the Fund in 1988, the participation in the Fund had increased to 369 members and by 1998, when the Fund celebrated its twentieth anniversary, participation had grown to 487 members. In mid December as this article was written, Fund membership stood at 522.

Over the years the Trustees have voted to use excess funds generated by the program to reduce rates and to modify needed rate increases. Their goal is to help level the peaks and valleys of the insurance marketplace and make it possible for members to budget this expense more accurately. The Trustees are also able to distribute excess funds

to members with the prior approval of the Bureau of Insurance under certain conditions.

Since 1996 Trustees have authorized the payment of dividends to those members eligible by virtue of their claims experience and length of participation in the Fund. 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 Fund.

Loss control services have been provided to members by MMA Risk Management Services staff since 1995 when the Loss Control Department was established in house. An important part of the service offered our members is participation in the interactive Leader Program that encourages members to focus their safety efforts more effectively. At present 89 members participate in the Leader Program and earn credits that are applied to reduce their annual contributions. In addition, the Loss Control Representatives offer on-site safety training and surveys to assist members in their efforts to prevent losses.

Claims management was also brought in house in 1995. MMA's licensed, professional claims personnel handle all claims and work closely with members to return injured employees to work as quickly as possible.





UNIFORMED SERVICES EMPLOYMENT AND REEMPLOYMENT RIGHTS ACT



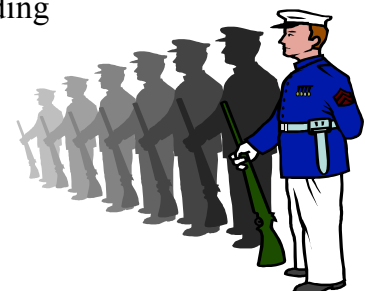
The possibility of war looms over the world. One of the consequences of war for the U.S. and Maine will be the necessity of activating additional troops. As we are all aware, our government relies increasingly on the National Guard and Reservists to supplement the active duty military in times of crisis.

Municipal employees throughout the state will very likely be affected by the activation of the National Guard and Reserve units of the other Armed Forces. The Uniformed Services Employment and Reemployment Rights Act (USERRA) is intended to ensure that members of the uniformed services may return to their civilian employment after completing their service. Its intent is to assure that they are reinstated with the seniority, status, and rate of pay they would have obtained had they not been absent in the service of their country. In addition, the law protects these individuals from discrimination in hiring, promotion, and

retention on the basis of present and future membership in the Armed Forces.

USERRA confers reemployment protection and other benefits for veterans and employees who perform military service. It applies almost universally to all employers regardless of their size. As defined by the law, protected service does not include state call-ups of the Army or Air National Guard. The definition of Uniformed Services includes the active and Reserve components of the Armed Forces (Army, Air Force, Navy, Marines, Coast Guard), the Army and Air National Guard, the Commissioned Corps of the Public Health Service, and any other category of persons designated by the President in time of war or emergency.

It is incumbent upon municipal officials to familiarize themselves with the requirements of this law with regard to employees who are affected. Check out the MMA website (<http://www.memun.org>) under Member Resources - Personnel (a username and password are required) see Military Leave Bulletin and also Internet Links - Other State Links - Required State and Federal Posters (Department of Labor). The website of the organization for Employer Support of the Guard and Reserve (<http://www.esgr.org>) has much helpful information including an Employer Resource Guide that may be downloaded.



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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The HERO (Helping Employees Recover Occupationally) program has been developed to help members handle their claims more easily and effectively. In addition, the Fund has recently added an experienced Nurse Case Manager who works closely with the claims representatives in handling difficult claims. She will help clarify the injury, and provide suggestions for managing the claim. When the injured employee has regained work capacity, she will work with the member to establish return-to-work procedures that will benefit the member and employee. She may also be assigned to manage catastrophic claims and provide support to seriously injured employees and their families. She will work with healthcare providers to help injured employees understand their injury and treatment.

Other services might include job site analyses, transitional work programs, member training assistance, selecting a "10-day doctor", medical bill audits, and vocational rehabilitation services.

The Fund begins its 25th year of service to Maine municipalities and quasi-municipal entities strong and well prepared for the challenges and opportunities that the next 25 years will bring!



25 YEARS FOR UNEMPLOYMENT COMPENSATION FUND

For 25 years the Maine Municipal Association has served as a liaison between members of the Unemployment Compensation Fund and the Maine Bureau of Employment Security. Members are classified as Direct Reimbursement Employers. MMA maintains each member's fund separately and administers the fund and reimburses the Maine Department of Labor for unemployment claims paid to member's employees. Assistance is also provided to members through the fact finding and appeals process when employees make claims.

Of the current membership, 76% have been continuously enrolled since the UC Fund began in 1978 as a response to the needs of MMA members. The diverse members include municipalities, water districts, housing authorities, recycling facilities, sewer and utility districts, schools, ambulance services and more. We salute the loyal members of the Unemployment Compensation Fund and will strive for another 25 years of excellent service.



911 ADDRESSES REQUIRED



The MMA Property and Casualty Pool must now include 911 addresses for all scheduled properties. Many members joined the Pool long before the 911 project was initiated in Maine. Therefore, we have some serious "catching up" to do. In addition to requiring 911 addresses from all new applicants and for properties added to current member schedules, the Underwriting Department will contact those members whose existing schedules do not reflect physical street addresses.

It would help us greatly if you could take a few moments to review your building and contents schedule (located on the first page behind the second tab of your Pool coverage binder). If every property listed does not include an accurate street name and number, please copy the schedule, insert the correct information and mail it to Maine Municipal Association, Risk Management Services, Attn: Tracy Pushard, P.O. Box 9109, Augusta, Maine 04332-9109. If your municipality has not completed the 911 street addressing project, please advise us of the anticipated 911 project completion date and include the most descriptive address possible for each location on your schedule before sending it to us.

Thank you for your assistance in helping us update our files.

1987 - 2002



MMA Property & Casualty Pool celebrates 15 years of service to Maine municipalities. We would also like to recognize the following founding members who have been participants since 3/1/87.

- City of Auburn
- City of Hallowell
- City of Calais
- City of Lewiston
- Town of Falmouth
- Town of Litchfield
- Town of Gorham
- Town of Pittsfield



WELCOME NEW MEMBERS!!!



Property & Casualty Pool

Town of Steuben
Freeport Sewer District
Drew Plantation
Town of Gray
Town of Livermore

Workers' Compensation Fund

Passamaquoddy Water District
Freeport Sewer District
Town of East Machias

PUT YOUR BEST FOOTING FORWARD

It is not unusual for buildings to 'settle' slightly as they age. We've all probably lived or worked in a building where, overtime, small cracks appear in ceilings and walls or where a ball will roll across a floor from one end of a room to the other without help. In some buildings there are much more significant problems that may affect its structural integrity and safety. Significant settlement can cause exterior cracks in walls that may result in water penetration of the walls and subsequent ice and water damage may accelerate the deterioration of the structure. Sudden settlements may occur causing a failure of structural integrity and endangering people occupying the building.



Many of Maine's municipalities and quasi-governmental entities are located on or near shoreline areas, rivers, marshlands and bogs. In these areas as in other unstable land areas it is critical that a geotechnical investigation of all proposed building sites be conducted and that the services of a structural engineer be sought to determine the appropriate site specific design and construction required. Such investigation might include a review of the history of the prior uses of the site, surface soil sampling and/or subsurface exploration. This investigation is not only critical prior to the building design but also should be considered prior to

the purchase of a property to make sure that it is suitable for the intended use. Municipal officials cannot be expected to have the knowledge or engineering expertise to make decisions about construction techniques, appropriate structural design elements or adequacy of land stability at proposed building sites without competent professional advice.

Risk Management Services has been made aware of instances in Maine municipalities where serious problems have become apparent years after the completion of construction. In some cases the problems are the result of inadequate design features because there was no geotechnical investigation and a structural engineer was not consulted. We are also aware of situations where the cost of remediation exceeds the value of the structure itself. When this sort of problem occurs, there is not likely to be any coverage under the building owner's property insurance. Years after the construction project is completed it may be very difficult to receive compensation or correction of the problem from the designer and/or contractor who originally built the building.

Words to the wise: Always hire a structural engineer for every building project you undertake. It is money well spent.