

the Municipal RISK MANAGER

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Property & Casualty Pool is Celebrating 35 Years of Partnerships

As the **MMA Property & Casualty Pool** celebrates its **35th Anniversary**, so much has changed. When the Pool was created, we could have never predicted that the program would grow into what it has become today. 35 years later, we are proud to provide coverage for over \$5 billion in property across 7,100 locations, including contents and equipment, cover 7,500 vehicles valued at over \$789 million, and that's just the beginning.

To begin, let's start with a little history. The Pool was created on March 1, 1987, with a group of 14 founding members that formed a partnership to address the insurance crisis occurring at that time. Maine municipalities were having difficulty obtaining insurance coverage, if at all, or at a reasonable cost. These municipalities looked to MMA to take a stand and support a solution. As a result, the Property & Casualty Pool was created under special legislation and has been going strong ever since.

The Pool now has 471 Members, consisting of municipalities, water & sewer districts, schools, housing authorities, disposal districts, etc., and our team prides itself on understanding the uniqueness of municipal government and the ever-evolving challenges. In the beginning, the Pool provided limited coverages, but as the needs of municipal governments and quasi-municipal operations grew, the Pool responded. In the early 1990's, the Pool added Crime coverage to meet the bonding requirements of individual positions as required by the State, Equipment Breakdown was added to remove coverage gaps and ensure compliance with jurisdictional inspections, and since Public Officials Liability was becoming difficult to obtain at a reasonable price, the Pool chose to roll this coverage in with the core

coverages as well. We continuously monitor member needs and aim to provide to expand coverages as needed.

The following expanded protection continues to be available to participating members of the Pool:

- Property (building & contents)
- General Liability
- Automobile Liability & Physical Damage
- Mobile Equipment
- EDP (computers – hardware and software)
- Crime (faithful performance, employee dishonesty)
- Equipment Breakdown (boilers and pressure vessels)
- Law Enforcement Liability
- Ambulance Malpractice
- Public Officials Liability
- Coverage Extensions (including flood, earthquake, forest fire costs, computer virus, e-commerce extortion)

The Pool is overseen by a Board of Directors who are all Maine local government officials or employees. These are the people who know and understand issues facing Maine local government making their involvement beneficial to the Pool. Because this program is designed specifically for Maine public entities, all operations and issues revolve exclusively around municipal and quasi-municipal exposures. For example, the Pool is structured to take full advantage of the immunities and limits of liability available to governmental entities under the Maine Tort Claims Act.

Risk Management Services staff has years



of experience and knowledge unique to municipal needs. Underwriting and Member Services assist with managing your coverage exposures and will provide on-site assistance; claims are handled in-house by experienced, licensed adjusters; Loss Control is provided by professional Loss Control Consultants who understand the needs of public entities. We are proud that "we live here too." Our local presence throughout Maine offers us the distinctive position to provide a team of personally assigned staff for each member. Our team is honored to have provided on-going and exceptional risk management services for over 3 decades.

Throughout the years, we have been able to incorporate additional benefits beyond coverage by rewarding our membership with Dividend returns, offering an online training tool and online training courses unique to municipal exposures. More recently, the Board approved the Risk Reduction Grant that is exclusive to Property & Casualty Pool Members. The goal of the grant is to assist our members in their efforts of applying effective risk management and loss reduction techniques. We encourage our members to be creative in the use of this grant.

The entire Risk Management team thanks you for your continued commitment to the Pool. On a personal note, as the Director of MMA Risk Management Services, I am thankful for the dedicated team members of RMS who believe in our mission to serve you with professionalism, understanding and reliability. 🏠

Environmental Exposures

Warmer weather will be here soon. While we all look forward to working and playing outdoors, it also brings some unwelcome aspects including ticks, hazardous plants and our new friend the brown-tail moth. As spring arrives, the insects will be hatching and plants will be growing, but with some simple steps we can enjoy the outdoors



while being protected.

Some simple precautions will help you avoid contact with insects and insect borne illness:

- Avoid direct contact with ticks and other Insects: Avoid walking through wooded and brushy areas with tall grass and leaf litter. Walk in the center of mowed or cleared trails to avoid brushing up against vegetation.
- Dress Appropriately: Wear light-colored clothing to make ticks easier to detect.
- Wear long pants tucked into socks or boots and tuck your shirt into your pants to keep ticks on the outside of your clothes. Do not wear open-toed shoes or sandals when in potential tick habitat.
- Use bug and tick repellents. Remember some repellants need to be reapplied periodically to be effective. When using repellents always follow product directions.
- Consider using products that contain permethrin to treat clothing and gear. Do not apply permethrin directly to your skin.

Reduce Hazards Through Property Management

- Reduce the humidity in your property. Insects tend to be susceptible to dehydration. You can reduce humidity in property by pruning trees, clearing brush, removing litter, and mowing grass short and letting it dry thoroughly between watering.
- Make your property unattractive to animals that are hosts to ticks by eliminating bird feeders, birdbaths, and salt licks
- Erecting fencing around the property to deter animals
- Clearing away wood, garbage, and leaf piles



- Removing stonewalls that provide homes to wildlife
- Have your property chemically treated. Seek professional advice.

Avoiding Exposures to Hazardous Plants

- Familiarize yourself to the area and what flora you might encounter.
- Never touch plants and then touch your mouth, nose, eyes or any open wounds.
- Keep in mind that even when plants are dormant, they can still cause a rash.
- If in doubt avoid contact

More information on bug and plant safety can be found on our web site www.memun.org. Click on the Risk Management and Safety Shorts links. Also, members of the Risk Management Services programs have access to the Online Safety Training and the Field Biological Hazards course which contains information on ticks and insect bites as well as poisonous plants. 🏠

SHIELDS UP

The Cybersecurity & Infrastructure Security Agency of the United States Government is issuing strong warnings that Every organization—large and small—must be prepared to respond to disruptive cyber incidents. As the nation's cyber defense agency, CISA stands ready to help organizations prepare for, respond to, and mitigate the impact of cyberattacks. When cyber incidents are reported quickly, we can use this information to render assistance and as warning to prevent other organizations and entities from falling victim to a similar attack. For further CISA information, available tools and recommendations please visit:

<https://www.cisa.gov/shields-up>



**CYBERSECURITY
& INFRASTRUCTURE
SECURITY AGENCY**



Employee Training is Best Defense Against Cyber Attacks – New 15-minute training tool available



Cyber security continues to make news as a top business security concern. The

COVID-19 pandemic fundamentally changed the way many of us work and interact online. New processes and workflows enabled businesses to continue through lockdowns, social distancing, and lengthy office closures. The pandemic spurred this rapid change in the way people conducted business, often while security lagged. The shift to a larger digital footprint has opened us to cyber threats on a larger scale than ever before.

Cyberattacks against local governments are becoming more common and increasingly sophisticated. Local governments are using more internet-connected technologies and online bill payment systems. Smart technologies integrate digital solutions and increase efficiency, but they open the door to cyber threats. Coupled with employees working remotely and using personal devices, this digital infrastructure becomes an easy target for cyber criminals.

Even the best network security can be useless by the actions of employees. Employers must be vigilant, keeping up to date with current threats and by providing employee training to maintain awareness and cyber security. Employees must be familiar with phishing attacks. One of the most common security challenges companies face in keeping their

information secure, but they may not recognize spear-phishing attacks.

Spear-phishing attacks are targeted at specific individuals. Attackers take time to collect personal information about their intended victims, often through social media, increasing their ability to craft personal emails that appear trustworthy. They are becoming increasingly sophisticated and difficult to detect. Messages often have a sense of urgency on why they need the victim to open an attachment, click on a link, or provide sensitive information.

Risk Management Services online training has a variety of cyber security courses to help employees recognize cyber threats and keep sensitive information secure. We are excited to announce that we have added a 15-minute video called **2021 Kevin Mitnick Security Awareness Training**. We recommend that all members of the MMA Property & Casualty Pool or MMA Workers' Compensation Fund have their employees watch this training. It provides real world examples and may prevent an employee from clicking on a fraudulent link, which may shut down your system and disrupt your day to day services.

To access this new training, please Visit the MMA Risk Management Services Online University www.memun.org; or **For more information or to become a local administrator, please contact us at, 1-800-590-5583, or by email: (rmsloss-control@memun.org).** 🏠

TOP 10 best practices for fraud prevention:

1. Are internal controls in place so that no one employee can control a financial process from beginning to end?
2. Perform background and reference checks for all new employees.
3. Create policies and procedures regarding employee theft and fraud. Post them in public areas of the office and train employees on them.
4. Timely deposits and reconciliations.
5. Perform regular audits of your operations, including running periodic financial reports and conducting random inventory counts.
6. Institute checks and balances including: comparing deposit slips with bank receipts, and matching invoices before payments are issued.
7. Ensure division of labor by assigning multiple employees the responsibility of sensitive financial duties like check writing, bookkeeping and payroll. Rotate these responsibilities if possible.
8. Issuing numbered receipts for all transactions.
9. Identify sole source providers and evaluate to ensure their claims are justified.
10. Create an avenue for employees to report wrongdoings anonymously. This could be a hotline or suggestion box. 🏠

Property & Casualty Pool Renewal Thank You and Reminder

We would like to thank our Membership for their continued participation and cooperation with the completion of the Property & Casualty Renewal Applications. The renewal application was due to be completed by March 31, 2022. For those members that have not completed the application, we would like to offer our assistance. If you would like help with your renewal application, please email:

rmsunderwriting@memun.org or call us at (800) 590-5583.

The continuing success of the Property & Casualty Pool is only made possible through the continued assistance of our dedicated members. Therefore, the RMS Underwriting Department would like to personally thank our members for their support, understanding and commitment. 🏠



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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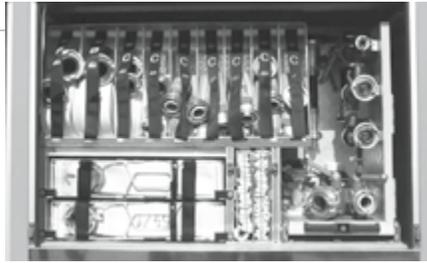
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Protecting the Equipment that Protects You

The job of a Police Officer, Firefighter or Emergency Medical Service provider often requires attention to details and efficiency. In order for these professionals to perform their roles safely and in a skilled and proficient manner, having the proper tools is often critical. Therefore, we recommend that your departments consider proper tool storage practices.



EMS Tool Storage Tactics and Their Corresponding Benefits

Proper tool storage practices are a fundamental aspect safety and professionalism. Having tools stored properly and securely in the apparatus can sometimes be a factor of preparedness that can prevent an injury or even save a life.

Organize Tools for Ease of Access

Emergency Responders need to know exactly where their tools are and their condition so that they are available when they need them. Having the correct mounting in place will enable workers to shave down lost time spent searching for tools. Another benefit of a well-organized set of equipment allows for quick inventories while on the scene.

Look for and Eliminate Potential Hazards

Equipment like sledgehammers, Halligan bars, axes, and oxygen tanks are all heavy, often sharp, and capable of causing trauma if stored incorrectly. While one won't be using an ax while inside a firetruck, the proper storage of these items can ward off injuries in the event of an accidents. During an emergency response, loose or incorrectly stored tools may shift around or fall from the vehicle creating a hazard. In the event of a crash, these loose tools could become deadly projectiles. It is vital to secure all tools and to perform quick assessments of vehicles to spot improperly stored equipment.

Protect Tools and Equipment When Storing

Properly storing and securing equipment will not only help your ability to respond in a proficient manner, but it will also protect the passengers, protect the longevity of the equipment and protect the public from harm. Keeping the gear properly secured will ensure that your tools of the trade are ready for use when you need them most. 🏠

Driving Simulator Free to Use

MMA Risk Management Services (RMS) has purchased a desktop simulator from Virtual Driver Interactive. This driver training tool is offered free of charge to our members. This simulator is self-paced and very realistic, which makes it a great hands-on training tool that will provide helpful reminders to both new and experienced drivers about why it is important to use more caution when driving. The ten progressive and interactive scenarios review the dangers of distracted driving, the benefits of increasing braking distance between vehicles, and the effects of weather on driving. Please contact RMS Loss Control at rmslosscontrol@memun.org if interested in using the simulator.



*Pictured left to right:
Suzannah Heard,
Town of Arrowsic and
Lance Lemieux MMA Risk
Management Services*

FREQUENTLY ASKED QUESTIONS

WHAT IS THE POTHOLE LAW?

Within the local highway law there is what is commonly referred to as the "Pothole Law". When someone claims their vehicle was damaged because of a pothole or similar road defect, the issue is governed by the "Pothole Law", see 23 MRSA §3651-3655. The Pothole Law requires municipalities to keep town ways (and State roads under municipal control) in good repair. Since January 1, 2022, we have received 146 such claims.

WHAT IS MY TOWN'S LIABILITY?

The town's liability arises from the physical condition of the road itself, not the town's negligent use of the vehicles or equipment. Three facts must be established before a municipality will be held liable under the Pothole Law:

- First, the defect which caused the damage must be in a town way.
- Second, the damage must be the result of a highway defect.
- Third, the town must have had at least 24 hours prior actual notice of the defect in question and failed to correct it.

RECOMMENDATIONS:

- Have a written plan documenting notice and the date and time of road repair.
- Record and log for at least 6 months the time and method of repair.
- The statute does not specify what type of repair must be made. The repair will be judged on a reasonableness standard.

If you have a question you would like to ask, please email Marcus Ballou at mballou@memun.org 🏠