

SPRING 2017

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Out With the Cold... In With Spring

By: Ann Komac, Claims Manager

Will we have an early spring, or will winter stretch on until mid-March? According to prognosticating rodents Staten Island Chuck (highest accuracy rating at 80%) and Shubencadie Sam--spring will arrive early. According to Phil, the world's most famous groundhog, there are six more weeks of winter ahead this year. The Pennsylvania groundhog emerged from his dwelling at Gobbler's Knob on Feb 2, 2017 in an unusually feisty mood—once Phil settled down he saw his shadow.

magic elixir exists for all the challenges Public Works employees face in the spring. However, the MMIA does have suggestions that may make the season more manageable.



Early or not, after a long winter, spring is a time of the year that most Montanans look forward too. That is unless you work for a city or town in the Public Works Department. With spring thaw, comes street and road issues – potholes are the most common. During this time of year, it can feel like you are drowning and barely staying above water, only responding to complaints. No

We all can agree that we reside in a climate of inclement weather. We further can agree that spring thaw, runoff, and traffic can cause the degradation of streets that causes potholes to form. Many of you have expressed during past springs, that almost daily, if not more often, you seem to be reacting to a new pothole complaint.

Continued on page 3...

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MMIA, MACo recognized with Award for Excellence in Performance

By: Alan W. Hulse, CEO

A decade of successful collaboration between the Montana Municipal Interlocal Authority (MMIA) and the Montana Counties Association (MACo) is earning risk pools in both organizations the Award for Excellence in Performance.

MACo and MMIA have partnered with the State of Montana to fund a Risk Management Trainer position at the Montana Law Enforcement Academy (MLEA) since 2006. Through this project, risk management is built into basic courses and advanced training opportunities at MLEA for entry-level, mid-level, management, and administrative staff at law enforcement and public safety agencies around the state of Montana. It gives participants a base of understanding about the importance of minimizing risk in day-to-day operations.

This partnership between MMIA and MACo risk pools and the State of Montana is a compelling story of creativ-

The AGRiP Board of Directors is acknowledging the Montana pools for their significant and innovative efforts

Don't Assume There Is Coverage

“Improvements and betterments” typically are defined as fixtures, alterations, additions, or installations made a permanent part of a building by and at the expense of the tenant, which may not legally be removed. Once the tenant vacates the property, those improvements and betterments become property owned by the owner of the building. Clearly, this should be fully outlined in the rental agreement. For example, a tenant rents a building and furnishes the area with carpet, wallpaper, new light fixtures, and bath fixtures. These fixtures, alterations, and additions are considered improvements and betterments to the building. These improvements should be insured, but by whom?

If you are a part of the MMIA Property Program, and are renting out the building to another party, the building and any property associated to that building actually owned by you needs to be listed on your property schedule. The tenant should be responsible for obtaining their own coverage for the Improvements and Betterments. Those improvements are not owned by the member but instead by your tenant.

ity to manage and mitigate a very challenging risk area. The AGRiP Board of Directors is acknowledging the Montana pools for their significant and innovative efforts, which provide a model initiative of demonstrable success that could be considered for implementation by other pools around the country.

CEO'S CORNER



MMIA and MACo received the Award for Excellence in Performance at AGRiP's 2017 Governance & Leadership Conference. And, their award-winning effort will be one of several unique law enforcement risk management programs discussed in a conference presentation at the event.

■

In the event of a claim, MMIA will provide coverage for the member's property, but not the property of their tenant unless you have agreed to cover your tenant's property in your lease agreement. Most lease/rental agreements place the burden of insuring the improvements and betterments on the tenant. You may have a tenant that has assumed you are covering their property in the event of a claim, leaving them without any coverage for their damages.

On the other hand, we do have members that lease buildings from other parties. The same holds true in that the owner of the building should be providing the property coverage for that building, and if you as a tenant have installed any improvement and betterments, then you should be responsible for the coverage for those items. You should not assume that the building owner is covering your property.

If you have any questions, please contact the MMIA at [1-800-635-3089](tel:1-800-635-3089) ■

Employee Benefit Open Enrollment 2017 May 15-June 15

Open enrollment is just around the corner. This is employees' one chance each year to make changes to their benefits without a qualifying event.

MMIA will mail information home to all plan participants. Be sure to get us all employees' most current addresses.

Participants may also visit the Employee Benefits page at www.mmia.net starting in April for full Open Enrollment details including:

- summaries for each medical, dental, and vision plan,
- available resources,
- information on the wellness program,
- and required notices.

The Employee Benefits department is always here to answer any additional questions you may have, but we hope you find the website helpful as you navigate this process. ■

A healthcare professional, likely a nurse or doctor, wearing bright pink scrubs and a stethoscope around their neck. They are holding a pink piggy bank in their left hand and using the stethoscope to listen to the piggy bank with their right hand. The image is framed with a red border.

Qualifying Events – 31 Days

Remember, participants must report any plan changes for a qualifying event such as a birth or a marriage to their city representative within 31 days of the event. The City/Town should report those changes to the MMIA as quickly as possible in order to process things smoothly for the participant.

Out with the cold...(cont'd)

The number of complaints seems to be relentless with new potholes developing faster than you can respond. One of the best ways to maintain street integrity, quicker rid oneself of potholes, and minimize pothole claims and complaints, is to implement a proactive inspection and maintenance program.

In some ways, streets are no different than a sewer line. Just like streets, there are literally miles and miles of sewer lines that are cleaned, maintained, and replaced or repaired by your sewer department. If sewer lines are not maintained, then we can anticipate that an obstruction might occur, which could result in potentially expensive sewer backup claims. No one welcomes a sewer backup into their home or business. Nor do motorists want their vehicles damaged by a pothole.

The Montana Supreme Court in *Floyd v. City of Butte* opined regarding sewer maintenance that “this duty involves the exercise of a reasonable degree of watchfulness in ascertaining their condition.” It’s not a stretch that your street department has the same or similar duty of “watchfulness.”

So how do you implement and manage a proactive inspection and maintenance program? Pothole inspection/

maintenance programs can range from inspecting and maintaining high traffic areas first and then branching out to the residential less commuted areas, to creating zones for inspection and pothole repair. Some members require their inspectors to carry enough patch fill to repair minor potholes that are discovered at inspection. The inspector and or supervisor would dispatch a separate crew for the more severe pothole repairs. A minor pothole temporarily filled at the time of inspection may result in more effective time and cost management, and fewer complaints.

The other important component of this type of program is keeping records of your efforts. When the MMIA receives a claim from someone in your community, you will be contacted by an adjuster who will ask for any records that you have regarding inspection and/or repairs to the area alleged to have caused the damage. If a member can show reasonable efforts were made to identify and repair, there is a strong chance the MMIA will be able to show the member was not negligent.

Let’s face it – potholes are going to happen. Even the best well thought out inspection and maintenance program will not prevent them. However, maybe such a program can reduce the number of complaints and keep your head above water in the spring. ■

Test Your WC Incident Management & Return to Work Knowledge

By Britani Laughery, Internal Operations Manager

1. Employees must report injuries to their employer within:

- a. 30 days
- b. 1 year
- c. 6 months
- d. 10 days

2. Employees must submit a written claim for an injury within:

- a. 1 week
- b. 30 days
- c. 12 months
- d. 6 months

3. Best practice is to require employees to report injuries:

- a. Within 30 days
- b. Never
- c. Same day/same shift
- d. Within 1 year

4. Employers must submit a claim to the MMIA within:

- a. 6 days
- b. 1 month
- c. 1 week
- d. 1 year

5. Best practice for employers is to submit claims within:

- a. 1 week
- b. 24 hours
- c. 1 month
- d. 1 year

6. Claims can be submitted via:

- a. Phone
- b. Fax
- c. Online
- d. All of the above

7. Benefits of conducting incident investigation include:

- a. Identifying areas for improvement
- b. Identifying training opportunities
- c. Identifying and eliminating hazards
- d. All of the above

8. The purpose of incident investigation is to:

- a. Determine fault
- b. Prevent re-occurrence
- c. Determine causes
- d. Both B and C

9. Return to Work programs benefit:

- a. Employees
- b. Employees and Employers
- c. Employers
- d. Insurance companies

10. Employee benefits of a Return to Work program include:

- a. Speedier recovery and improved outcomes
- b. Maintained self-esteem
- c. Reduced financial impact
- d. All of the above

11. Employer benefits of a Return to Work program include:

- a. Retains good employees
- b. Manages the impact of injuries on workers compensation insurance premiums
- c. Reduces fraudulent claims
- d. All of the above

12. A Return to Work Program is a plan designed to facilitate the earliest possible return of an injured worker to the workplace to perform:

- a. Meaningful, productive work within the realm of their capabilities as outlined by their medical provider
- b. Busy work
- c. Normal job duties
- d. None of the above

13. Modified duty is:

- a. The primary objective of a Return to Work program
- b. When the employee's job duties or work schedule are temporarily modified to accommodate for temporary physical restrictions
- c. A and B
- d. None of the above

14. Transitional duty:

- a. Is also called light duty
- b. Is an alternative duty (different than normal job) that requires minimal physical activity
- c. Will assist the injured employee to remain productive while healing
- d. All of the above

15. A Return to Work Specialist

- a. Can be a person or a team within an organization
- b. Is responsible for managing the Return to Work program
- c. Both A and B
- d. None of the above

16. As part of a Return to Work program, employers should:

- a. Only allow the employee to perform the job tasks approved by the medical provider
- b. Meet with the injured employee weekly to see how things are going
- c. Re-evaluate appropriateness of modified/transitional duties as employee's condition changes over time
- d. All of the above

17. As part of a Return to Work program, employees should:

- a. Only perform the job tasks approved by their medical provider
- b. Meet with the employer weekly to discuss how things are going
- c. Provide the employers copy of the medical status form to the employer after each medical visit to ensure appropriateness of modified/transitional duties
- d. All of the above

Check out Page 7 for all of the answers

Attorneys: 2017 Jim Tillotson Service Program, May 10-12

By Janel Favero, Communication Specialist

We would like to invite all municipal attorneys to the upcoming Jim Tillotson Service Program at the Red Lion (Billings) Hotel and Convention Center, May 10-12.

At the time of press, we are still working on cementing the agenda, however topics include:

- CI116 Marsy's Law
- Legislative Updates - Civil, Criminal
- MS4 - League Legislation
- Land Uses and Problematic Issues
- Police Issues
- Restitution, and more!

Employee Spotlight: Amanda Burkhart

Member Relations Strategist

Amanda Burkhart is a fourth generation Montanan. She grew up in Bozeman, attended high school in Anaconda and graduated with a BA in Journalism from the University of Montana. Amanda began her career as a television news producer. She and her husband then spent a year and a half teaching English in Seoul, South Korea. Upon returning to Montana, Amanda worked as Communications and Marketing Manager for the United Way of the Lewis and Clark Area. Next, she took a position as the Communications Manager for the Health Care & Benefits Division of the State of Montana where she learned the ins and outs of self-funded plans.

Amanda is excited to continue serving her home state in her new role as Member Relations Strategist with MMIA.

In her free time, Amanda loves to cook and bake, spend time outdoors, and hang out with her husband, toddler Evey, and springer spaniel.



Registration starts at 12:30pm on Wednesday, with sessions starting at 1:00 and we will have an Attorney Reception at 5:30 pm. We will start again Thursday morning at 7:30am for breakfast, with the session starting at 8:15 through 5:15 pm. On Friday, we get started with sessions at 8:15 am, and conclude around 12:30 pm. Register Online at mmia.net.

The Convention Center is at 1223 Mullowney Ln, Billings, MT 59101; please use "MT Municipal Clerks & Treasurers" or "MT MU0517" to reserve your room in the block. ■

Employee Spotlight: Tammie Kelley

Document Processing Specialist

When human beings experience trauma or severe life stressors, it is not uncommon for their lives to unravel. Tammie's great passion is to stay knowledgeable or at least have day-to-day interactions with people over two foot tall. These two things brought her to MMIA. Tammie has studied Psychology and Accounting starting at Johnson County Community College in Overland Park, Kansas, and completed two associates' degrees in each field at The University of Montana- Helena. Passionate about helping others, Tammie has a wide array of experience in the medical field, not only with personal contact, but also the behind the scenes working and functioning operations of business. In her "free" time, she is a single mom of three very active boys. When not helping with school activities, chauffeuring, assisting with homework, or attending sporting or school events she enjoys relaxing with her boys watching a movie, taking a day trip to a hot springs, driving through a national park, or enjoy discovering a new brewery with friends. From a small, hometown girl born and raised in Helena, MT, moving away to "discover" the world and finding her way right back HOME, she is very excited to be able to work for MMIA and keep her number one job as a mom.



Public Officials Bonding

By Ann Komac – Claims Manager

The experts who study criminal activity have estimated the most frequent crime in America today is employee theft. Wanting to believe the best in my fellow mankind, I would like to assume this statistical observation includes the occasional paper-clip or office supply that finds its way home. None the less, losses have risen over the years and are often in the five figures and up when moneys and securities are involved.

This is not a recent happening, which would explain why state law (section 2-9-803 MCA) requires: “All elected and appointed city or town officers or employees must be bonded for the faithful performance of all official duties required by law.” This bonding requirement is typically met through surety bonds of the individual or position and come in different forms:

- **Individual Bond** – Covers one named employee
- **Named Schedule Bond** – Covers several named employees for amounts which could vary depending upon the level of exposure
- **Position Schedule Bond** – Covers multiple employees, but lists them by job title (Mayor, Clerk, Treasurer, council person, water clerk, etc.) rather than by name. As before, different amounts may apply to different positions.
- **Commercial Blanket Bonds** – Covers all employees and its limits are expressed on a per loss basis (the limit of liability is the face amount of the policy regardless of the number of employees involved in the loss.)
- **Blanket Position Bond** – Also covers all employees, but its limits are expressed on a per employee basis.

Montana codes further allow a municipality to meet this bonding obligation by purchasing coverage provided “by a self-insurance pool insuring cities or towns as authorized under 2-9-211.” for instance, the MMIA.

Like all of the MMIA coverage, our Crime and Fidelity endorsement is unique. It is only offered to our Property Program participants (who must also be enrolled in our Liability Program) and comes in a form that relates most closely to the Commercial Blanket Bond described above. Once enrolled, a member has Crime & Fidelity coverage for all employees with limits:



Employee theft – (per loss)	\$5,000,000	\$15,000 Deductible
Forgery or Alteration	\$2,500,000	\$5,000 Deductible
Inside the Premises (theft of moneys & securities)	\$100,000	\$5,000 Deductible
Inside the Premises (Robbery or Safe Burglary-other property)	\$100,000	\$5,000 Deductible
Outside the Premises	\$100,000	\$5,000 Deductible
Computer Fraud	\$5,000,000	\$5,000 Deductible
Funds Transfer Fraud	\$5,000,000	\$5,000 Deductible
Money Orders and Counterfeit Paper Currency (not covered)		

As with all coverage forms, there are specifics applicable to each and every situation, but in general the one that receives attention is the rather high deductible for employee theft.

The high deductible is our attempt to keep the coverage affordable. Our hope is to provide the membership with coverage for those catastrophic losses. Fortunately, Montana’s municipalities do not experience large numbers of commercial crime claims (pool average is one per year), but when they come, they are surprisingly large.

Please call me at [\(800\) 635-3089](tel:8006353089) or e-mail at akomac@mmia.net with questions. ■

Employee Spotlight: Sandy Lang

Executive Assistant

Sandy Lang comes to MMIA after a long career in State government. She grew up on her family's ranch SW of Cascade, Montana. Sandy began her career with State government shortly after graduation in 1984. Sandy held a variety of positions with Department of Revenue, including Executive Assistant to the Director, with the most recent position as the department's Statewide Facilities Officer. Sandy is excited to have been given the opportunity in her new role as Executive Assistant to assist Alan Hulse, MMIA and Tim Burton, MLCT.



In her free time, Sandy loves to travel, hike, boat and spend time with her husband Steve, two daughters; Jessica, 26 and Cassie, 23, and numerous family members and friends. The more around the merrier!

Welcome to MMIA Amanda, Sandy, and Tammie, we are excited to have you!

Test Your WC Incident Management & Return to Work

Knowledge Answer Key

1. a) 30 days
2. c) 12 months
3. c) Same day/same shift
4. a) 6 days
5. b) 24 hours
6. d) All of the above
7. d) All of the above
8. d) Both B and C
9. b) Employees and Employers
10. d) All of the above
11. d) All of the above
12. a) Meaningful, productive work within the realm of their capabilities as outlined by their medical provider
13. c) A and B
14. d) All of the above
15. c) Both A and B
16. d) All of the above
17. d) All of the above

Wanted: Website QA Testers

We are in the process of updating the MMIA website, and in June, we will be undergoing the quality assurance process. We are looking for volunteers who are able to give a few hours of their time to review the new site, and provide valuable feedback.

If you are interested in volunteering for this worthwhile project, please contact MMIA Communication Specialist Janel Favero by email at jfavero@mmia.net, or by phone at [406-495-7016](tel:406-495-7016).



We Are you.

Calling All Bob Worthington Risk Management Achievement Award Nominees

Do you know of a person, group, or department within your city/town that demonstrates an exceptional effort to manage risk or prevent losses in liability, worker's compensation, property, or employee benefits?

If so, then be the first to share their efforts with the MMIA membership by nominating them for the Bob Worthington Risk Management Achievement Award! You can nominate a candidate by simply going to the [MMIA Website>Risk Management>BWRMAA](#) and completing the form.

Sharing their efforts is not only a great opportunity to recognize their exceptional work, but also encourages members to learn from each other in regards to effective risk management efforts.

Each year the MMIA staff reviews the nominations and announces the winner during the annual MLCT conference. Don't delay, nominate today! ■

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Calendar of Events

March

- 23:** MMIA EB Committee meeting, Helena
- 24:** MMIA Board of Director's Meeting, Helena

April

- 16:** Easter
- 24-25:** GEM Board Meeting, Washington DC
- 29:** Last day of the 2017 Legislative Session

May

- 7-11:** Montana Municipal Institute, Billings
- 10-12:** Jim Tillotson Service Program, Billings
- 29:** Memorial Day, Holiday

June

- 1:** Final rates provide to membership
- 4-7:** PRIMA Annual Conference, Phoenix, AZ
- 9:** Liability and Property Invoices provided to membership
- 23** MMIA Board of Director's Meeting, Helena