I WANT TO TAKE THIS opportunity to acknowledge another extremely successful MMRMA annual meeting. Despite current economic conditions, total attendance was very close to last year’s, with 353 attendees participating in the training and networking opportunities at the Grand Traverse Resort.

With the theme MMRMA: Get Fit—Stay Fit, our programs and activities focused on personal fitness hallmarks such as exercise and nutrition. While personal fitness is a laudable goal, MMRMA views this theme from an organizational standpoint. In uncertain times, it’s extremely important that our organization stay fit in order to respond to an ever-changing landscape. MMRMA’s fitness keeps it strong, with a membership of more than 350 public entities and assets above $290 million.

Furthermore, MMRMA continues to be recognized as a leader in the public entity pooling community and the insurance industry. Our approach has resulted in excellent member retention, member loyalty, and a steadfast commitment to best practices in risk management. As a consequence, our members enjoy the broadest possible liability and property coverage, stable prices, and superior services.

However, we do not rest on our laurels. We must “stay fit” by continuously improving and enhancing our programs and services to meet the evolving needs of our membership as we approach our 30-year anniversary.

In his keynote address, Olympic Greco-Roman wrestler Rulon Gardner emphasized the importance of getting “back to basics” as part of his recipe for victory. This struck a note with me, an important reminder that the basic ingredients of MMRMA’s success will be essential to its fitness in the coming years.

Educating New Leaders about Public Pooling
We’ve written about generational changes and the aging workforce in prior issues of the Risk Journal and other MMRMA publications. As this trend continues, the turnover rate among elected and appointed officials is on the rise, due to retirements as well as elections and career changes. We must recognize that the new generation of municipal leaders does not have an institutional memory about MMRMA. It’s important that our training and education programs extend to newly elected and appointed officials.

We must help them understand the basics of why MMRMA was created and understand the specific benefits of a member-driven service organization. Otherwise, these officials might make no distinction between MMRMA and the commercial insurance industry. They could be attracted to inferior insurance products and inadvertently sacrifice their member entities’ longevity, not to mention the numerous value-added programs and services MMRMA members enjoy.

Along with MMRMA’s specific benefits, we must convey to the next generation the message that public entity pooling is a successful, well-established business. Since pooling’s origins in the late 1970s, it is estimated that about 85 percent of all public entities—more than 75,000 nationwide—participate in pools. Annual contributions to pools total over $7 billion.
Shared Public Services: Innovative Approach Brings Risks and Rewards

by Chris Sullivan, Member Emeritus, Administrative Advisory Committee

MMRMA’s Administrative Advisory Committee is made up of staff and representatives of member communities. The committee studies and recommends model policies for planning, zoning, and human resource management.

As part of those efforts, the committee recently revisited the emerging trend of shared and collaborative services as a cost-saving strategy for municipalities. The basic concept has been applied in many directions, including the formation of new public service authorities, merging of departments, and creation of new public/private initiatives.

Ray Riggs, former Deputy Fire Chief of West Bloomfield, an MMRMA member entity, believes that shared services and consolidated regional services are inevitable due to increasing economic pressures on local communities. He cites a successful project by West Bloomfield Township to provide fire and EMS services for the Tri-City Fire Authority, which includes Orchard Lake, Sylvan Lake, and Keego Harbor. Looking ahead, Riggs predicts that such agreements will play a part in every municipality’s future.

Other successful collaborations among MMRMA entities include shared dispatching services between Westland and Garden City, as well as numerous shared purchasing agreements and training programs statewide.

Planning Resources
The Southeast Michigan Council of Governments (SEMCOG) has excellent information about collaboration and shared facilities and services at its website: www.semcog.org/LGEC_Collaboration.aspx.

One case study on the site describes a shared services agreement between Walled Lake and the Village of Wolverine Lake, which saved an estimated $400,000, the cost of building a replacement water main.

The site also features several downloadable resources, including a white paper by the Michigan Government Finance Officers Association titled “Finance Department Cross Boundary Collaboration,” which outlines both the possibilities and problems that can go along with service integration. Other white papers can be downloaded at www.migfoa.org/MGFOA/News/.

SEMCOG offers 3-hour workshops on this topic, and also provides free consulting to its members that are considering consolidation or collaboration. A member of SEMCOG’s Local Government Effectiveness and Collaboration Committee will attend meetings, offer advice, and provide support to guide the early stages of collaboration. Contact SEMCOG consultant Dave Boerger at 313.324.3427 or boerger@semcog.org.

Assess the Risk
The Michigan Constitution grants authority for cooperative agreements, but specific conditions and statutory regulations must be followed.

Shared services can be an effective cost-saving measure, but municipalities must assess their potential liabilities and risks.

When entering into such agreements, it is important to involve municipal attorneys and risk managers so that they are aware of the programs and can facilitate an effective risk agreement.

It is also essential to consider such key questions as:

- Are there any known impediments to the agreement?
- Who must be informed and how?
- Could there be a liability arising from the shared services?

Before entering into a joint agreement, members should contact MMRMA for direction, including an assessment of liability and risk.

The Administrative Advisory Committee will continue to monitor this issue and its implications for MMRMA member communities. To join this discussion and share your examples of successful shared services, contact MMRMA’s Risk Control department at 734.513.0300.
WITH LAST FALL’S ELECTION of Diane Hathaway to the Michigan Supreme Court, replacing incumbent Clifford Taylor, the stage was set for significant changes to the way justice is administered in Michigan. Now, the court is poised to overturn a 2004 no fault automobile ruling, Kreiner v. Fischer, thereby potentially allowing more injured motorists to recover monetary damages for pain and suffering.

No Fault Auto Liability
The Michigan no fault law was intended to provide payment for medical bills and some lost wages for those injured in auto accidents, without regard to fault. If the injuries are serious, fault still matters, and the at fault party can be sued for pain and suffering. Analysts agree that the move to reconsider McCormick v. Carrier signals the current court’s intention to change the game, allowing more people with injuries like McCormick’s to sue. The court cannot change the words in the statute; only the legislature can do that. But the new court seems ready to “reinterpret” the words yet again.

Governmental Immunity
Overturning Kreiner appears to be only one of the changes that the new court’s makeup may bring about. The court also seems poised to loosen the notice standard associated with governmental immunity in Chambers v. Wayne County Airport Authority. While the Kreiner decision may have more effect on the general public, Chambers is certain to have more impact on governmental entities. The case is of considerable concern when seen in the context of Justice Young’s dissent, in which he writes: “I fully concur with the dissenting statement of Justice Corrigan. I write separately to note that the new majority’s decision in this case reflects this Court’s more recent hostility to the notion of governmental immunity and any other legislatively imposed measure that reduces the volume of civil litigation in this state. This decision hearkens back to our predecessors’ refusal to recognize the legislative prerogative to regulate when and how the state may be sued.”

On June 12, 2009, the court granted a Motion for Reconsideration of the Chambers case, which involved a slip and fall at the airport, arguably the result of a puddle of water from a leaky roof. Because Chambers had failed to serve notice of the occurrence and the nature of the defect within 120 days of his injury, the lower court granted the defendants’ Motion for Summary Judgment.

The fact that the former Michigan Supreme Court declined to hear this appeal as of Dec 19, 2008, and that the post-election court has granted reconsideration, alerts us to the potential for significant change. As the court’s term proceeds, MMRMA will continue to monitor its decisions and interpret their implications for its members.
Advisory Committees Publish New Risk Control Resources

**MMRMA’s Advisory Committees** work hard to ensure that members have the best resources to meet their risk management needs. Recently, the committees completed revisions of two helpful policy and procedure brochures and produced a new one as well. All three can be downloaded at mmrma.org.

**Michigan Do Not Resuscitate Orders: Model Policy.** This new brochure, created by the Fire and EMS Committee, provides an overview of pertinent legislation, sample EMS protocols and DNR forms, and a comprehensive Q&A.

**Family and Medical Leave Act: Model Policy and Guidelines** underwent extensive revisions by the Administrative Advisory Committee. This fifth edition incorporates changes to the act that went into effect earlier this year. It includes an extensive Q&A, posting requirements, and sample forms.

**The Parks and Recreation Committee** issued a revised version of Playing it Safe: Inflatable Amusement Rides, Mobile Rock Walls & Climbing Walls. The brochure has been expanded to include more guidelines, safety checklists, and sample liability release forms.

**Organizational Fitness, continued from page 1**

The unquestionable success of public entity pooling defies the popular notion that “government can’t do anything right.” Pooling is perhaps the best example of a successful nationwide intergovernmental endeavor that has saved the taxpayers billions of dollars. The estimated benefits that have accrued to pool members in the form of cost savings or direct distributions range from $8–$10 billion. MMRMA and its member municipalities can be proud to be a part of this achievement.

Recognizing the need to reinforce this important message, our Events Planning Committee has designed a “back to basics” curriculum for our March 2010 Risk Management Workshop. The program will offer a great opportunity for new and current member representatives and employees to revisit the fundamentals of public entity pooling and the numerous services MMRMA provides.

We’ll take the Get Fit—Stay Fit theme into our 30th year with many value-added enhancements to education and training programs, communications and technology. These efforts will further underscore the ongoing value MMRMA provides to members and the citizens they serve.

**SAVE THESE DATES**

**Risk Management Workshop, March 4–5**
Lansing
Capitol insider Tim Skubick will present a legislative update, and a “back to basics” curriculum will include sessions on risk assessment and evaluation techniques, national pools, and how cases are settled. Professor/author John Bacon will discuss how to triumph in tough times.

**Annual Meeting, August 18–21**
Join us for an anniversary celebration: MMRMA–30 Years of Lighting the Way. Watch for exciting details in future issues.