MMRMA Adds Data Breach and Privacy Liability Coverage

by Michael Rhyner
Executive Director

WE ARE PLEASED to announce that, effective July 1, 2013, MMRMA will add Data Breach and Privacy Liability coverage for all Individual and State Pool members.

As we all rely more and more on electronic technology, the risk of unauthorized access or unintended release of information can result in a significant loss. The primary exposure relates to the unauthorized release or breach of confidential data, personal information, and protected health care information. In addition, organizations are subject to regulatory fines and penalties for certain data breaches.

Data breach coverage typically responds to first-party (MMRMA member) claims for computer software remediation, media replacement, forensic expenses, cost of security breach notices to individuals whose personal information was compromised, and the cost of credit monitoring services for those affected.

A committee of experts from MMRMA’s underwriting and claims departments has worked closely with our reinsurers to finalize the coverage and applicable limits. On April 18, the Board approved the committee’s recommended Data Breach and Privacy Liability coverage enhancements to MMRMA’s Coverage Document.

Data Breach and Privacy Liability coverage will be available to all Individual and State Pool Members effective July 1, 2013, currently at no additional cost to members.

The coverage includes:

- **Data Breach Losses.** First-party coverage to address member losses from an unauthorized access.
- **Electronic Media Injury Liability.** Third-party liability coverage for claims resulting from content on the member’s website or intranet.
- **Additional Breach Mitigation Expense.** First-party coverage for an accidental compromise of an MMRMA member’s private data.

This enhancement provides all members with Data Breach and Privacy Liability coverage of $1 million per occurrence, subject to a member deductible.

This latest enhancement keeps MMRMA’s coverage current and consistent with the risk management challenges confronting the public sector today. Please contact MMRMA or your Regional Risk Manager for more information.

MMRMA has expanded its coverage—at no additional cost to members—to cover their losses and liability expenses in the event of a data breach.

The direct and indirect costs of a data breach continue to rise because most organizations are not equipped for the rapid response needed to stem these losses.
Communities Must Plan for Early Response to Natural Disasters

by Allen Smolen
Risk Control Consultant

WE ALL APPRECIATE Michigan’s beauty and abundance of natural resources. The full range of seasons is enjoyed by all who live, work, and play here. However, communities must be prepared to handle the emergencies that can result from seasonal weather patterns and the extremes they can produce.

Severe storms, tornadoes, high winds, floods, wildfires, and excessive temperatures—as well as chemical releases, health epidemics, and other emergencies—strike with little or no warning. The best way for communities to cope with such emergencies is to plan, prepare, and practice mitigation strategies before a disaster occurs.

The Planning Cycle
Disaster planning involves identifying possible threats, evaluating resources, and conducting drills to measure capabilities and identify any weaknesses in the response effort. Planning initiatives should begin with local first-responders: law enforcement, fire, and EMS departments, each of which offers specialized training, equipment, and capabilities. It is also critical to include local leaders—elected officials, business owners, and officials in places of assembly such as schools and churches—in the planning process.

Other sources of input and assistance include Local Emergency Planning Committees (LEPCs) and Michigan’s Emergency Management & Homeland Security Division.

The Federal Emergency Management Agency (FEMA) stresses preparedness as the key factor in managing emergencies. Its National Incident Management System (NIMS) model emphasizes that local communities must be prepared, have their own command and management system, and know how to work with state and federal agencies in times of emergency.

Preparedness. Preparedness involves planning, procedures and protocols, training and exercises, personnel qualifications, equipment certification, and partnerships at all levels of government, the private sector, and non-governmental organizations.

Command and Management. Each community must define its own processes, procedures, and systems for communicating incident information to first responders and then to local officials and the public.

Multi-Agency Coordination. Communities must define how they will work with all levels of government to respond to a crisis situation. The process must outline the chain of command and how personnel from different agencies will interact.

By predicting, planning, and practicing, MMRMA communities can minimize the effects of any emergency, no matter what Mother Nature might have in store.

Graphics courtesy FEMA website

See www.FEMA.gov for more on emergency preparedness
Board Member Curtis Holt Has Long Track Record of Success

WYOMING CITY MANAGER

Curtis Holt has carved out a livelihood built on experience, teamwork, and creative solutions to challenges both familiar and new.

Holt has lived and worked in Wyoming, Michigan, since 1996, first as deputy city manager and then, starting in 2000, in his current role as city manager. Before that, he also served as assistant city manager in Cedar Springs and then city manager for Otsego.

His laser-focused career has helped prepare Holt for the challenges that have faced communities in Michigan and nationwide, particularly in the past decade. “You hear a lot about consolidation, cooperation, and privatization these days,” Holt says. “I think of us as leaders in those areas. And we’re always looking for new opportunities.”

Case in point: In 2009, Wyoming dramatically cut costs and streamlined its administrative staff by offering services to the public on a reduced four-day work week. The change has saved the city at least $500,000 in salaries and about $50,000 per year in facility costs.

Since there are fewer lunch and break periods in four days than five, increased productivity has been another benefit. “It takes time to get back to a job site or desk, get computers or equipment running, and become productive again after a break,” Holt points out.

The response has been predominantly positive, with only a single complaint coming in from the public in over four years. Even the staff has been largely supportive, although it was an adjustment at first. “They took a five percent pay cut in lieu of furloughs and other cost-cutting measures,” Holt says. “But I think many of them would now say, ‘Don’t make me work on Fridays!’”

Private Sector Opportunities

Change has been under way in the city’s private sector, too. Gordon Foods, which has long had a presence there, recently closed parts of its operations in other states and built a brand new corporate headquarters building in Wyoming. Such development is a point of pride for the city.

While not all recent changes have arisen out of growth—the closure in 2008 of a two-million square foot General Motors plant cost Wyoming dearly in tax revenues—Holt sees opportunity even there.

“With its 30 megawatts of power, its rail and freeway access, and water and sewer capacity beyond any other site in the metro area, we’re holding out for advanced manufacturing,” he says. Several companies are in discussions to build on the site and take advantage of those features.

Affinity for Public Service

Holt’s natural optimism and pride in Wyoming’s achievements are nicely balanced by humility and an enthusiasm for service. He is currently chairman of the Kent County Dispatch Authority and vice chair of the Grand Valley Regional Biosolids Authority. His affinity for those MMRMA State Pool members—as well as for his colleagues across western Michigan—led him to seek a seat on MMRMA’s Board of Directors. “I think diversity of Board representation in a membership-driven organization is critical,” he notes.

“My background isn’t in insurance or risk management, so it’s been interesting to see the analysis and discussion that goes into crafting policies,” Holt adds. “I’m still learning, but I’m happy to bring my perspective to the table.”

Speaking of his background, Holt was planting the seeds of his long and fruitful career in city management from the outset of his college studies: he earned both a bachelor’s and a master’s degree in public administration from Grand Valley State University (GVSU).

Academia wasn’t all work, though, and Holt lettered in both wrestling and football. He still loves sports and has spent a lot of time over the years cheering on his two daughters in their athletic endeavors. Hilary, who graduated from Michigan State and is a packaging engineer in Texas, played golf, swam, and rowed on the MSU crew team.

Meanwhile, younger daughter Emily just wrapped up her final season of NCAA softball as a senior at GVSU. After she graduates—with degrees in biomedical science and Spanish, as well as a minor in chemistry—Holt thinks Emily may join the Peace Corps or Teach for America.

Holt’s wife, Christy, is a secretary in the Wyoming Public Schools; she has also served as a class advisor and participated in other student activities. When the couple isn’t working, they love to travel to nearby Grand Haven and other Michigan towns. “We stroll along the boardwalk, people-watch, and enjoy the scenery,” Holt says. “We’re not the type to sit at home.”

MMRMA MEMBER PROFILE
Moose and wolves abound on Isle Royale, the largest island in Lake Superior, the largest freshwater lake in the world. Isle Royale became a national park in 1976 and was designated as an International Biosphere Reserve in 1980.

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Time to RSVP for MMRMA Annual Meeting

PLANTING SEEDS OF CHANGE is the theme of MMRMA’s 2013 annual meeting, to be held August 15-17 at the Grand Traverse Resort. Change begins with a new session this year—a Welcome and Orientation that will introduce first-time attendess to veteran members, MMRMA staff, and service providers.

Thursday’s Opening General Session will feature Josh Linkner, author of Disciplined Dreaming. His mission is to help people recharge their creativity and reawaken their communities and careers. This New York Times bestselling author, venture capitalist, and well-respected jazz guitarist will show you how to develop your own ability to improvise, no matter what job title you hold, and establish the team dynamics that foster creative thinking and risk taking.

Friday morning, Linkner retakes the stage with A Streetfighter’s Guide to Reinvention, giving a first-hand account of Detroit’s comeback, he says, show the power of possibility as well as how you can adopt a “street-fighter” mentality of scrappiness, determination, and resilience.

Up next is Anna Post, great-great-granddaughter of Emily Post, who taught etiquette to generations of Americans. Anna will address the rudeness epidemic in our country and show you how to use the principles of etiquette to banish workplace boors and build strong business relationships.

Friday afternoon’s speaker, leadership expert Ray Saint, recalls the scene on March 30, 1981, when four people were shot at near point-blank range in the assassination attempt on President Ronald Reagan. Saint uses the event to illustrate that the same communication failures occur in organizations today—and tells how to prevent them from happening to you.

If you’re not already registered, now’s the time to go online at mmrma.org. You can also register by phone at 517-333-3628 or email associationg93@aol.com.

We look forward to greeting new and longtime friends of the MMRMA family.

MMRMA Meeting Planner Is Michigan’s Best in 2013

MMRMA’s event planner Denise McGinn’s company, Association Guidance, was named the best meeting planning company in 2013 by the readers of Michigan Meetings+Events magazine.

The award honors the most talented people in the meetings and events industry. Affirming that recogition, MMRMA Executive Director Michael Rhyner said, “Denise and her organization have done an outstanding job with our meetings for the last eight years. This award is extremely well deserved.”

McGinn, in turn, thanked MMRMA: “Without my clients, I couldn’t have won because I wouldn’t have had such great events to plan.”

McGinn’s company, which celebrates its 20-year anniversary this year, coordinates all MMRMA meetings, including our annual meeting at Grand Traverse Resort & Spa, which won honors as the best hotel with more than 200 rooms.

MMRMA strives to provide the best possible service to its members, and these awards underscore the fact that MMRMA is delivering on this promise.

The registration deadline for the annual meeting is July 31, so don’t delay!