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LGIT News is a quarterly publication providing news and information for our member local governments.



7225 Parkway Drive
Hanover, Maryland 21076
800-673-8231
www.lgit.org

LGIT
Serving Maryland Local Governments Since 1987

NEWS

Winter 2007

Celebrating 20 Years of Trust

LGIT 1987-2007

The Local Government Insurance Trust will provide coverage and risk management services at stable and competitive rates through an organization that is owned and managed by its local government members.

HeartSmart Fundraising and Awareness Education Supports Strategic Placement of Automatic External Defibrillators (AEDs)

According to the American Heart Association, early defibrillation means having immediate access to a properly working Automated External Defibrillator (AED). An AED is a portable automatic device used to restore normal heart rhythm to patients in cardiac arrest. It allows trained lay rescuers to give a potentially lifesaving electrical shock to the victim's heart during cardiac arrest. When cardiac arrest occurs, the heart starts to beat chaotically (fibrillation) and cannot pump blood efficiently. Time is critical. If a normal heart rhythm isn't restored in minutes, the person will die. In fact, for every minute without defibrillation, the odds of survival drop 7-10 percent. A sudden cardiac arrest victim who isn't defibrillated within 8-10 minutes has virtually no chance of survival (*Leadership Anne Arundel E-Newsletter, Sept. 2006*).

HeartSmart, the Cliff R. Roop Foundation, is a non-profit organization committed to increasing the chances of surviving sudden cardiac arrest in Anne Arundel County. Through fundraising and awareness education, the foundation supports the strategic placement of automated external defibrillators (AEDs) and corresponding training opportunities. The foundation was created in 2000 as a

project of Leadership Anne Arundel honoring the late County Councilman Cliff R. Roop. (*Leadership Anne Arundel E-Newsletter, Sept. 2006*).

Many Trust members have installed AEDs at their facilities. Several have already saved lives. In a recent example, the City of Bowie received LGIT's Life Saver Award in 2006 for a life saved by the quick action of a city employee with an AED.

An AED is applied outside the body. It automatically analyzes the patient's heart rhythm and advises the rescuer whether or not a shock is needed to restore a normal heart beat. If the patient's heart resumes beating normally, the heart has been defibrillated.

AEDs are to be used only by individuals with the proper training and certification in accordance with state and local laws.

For more information about AEDs and certification training, contact the American Red Cross on-line at: <http://www.redcross.org/services/hss/courses/aed.html>

- Larry J. Bohlen
Training Coordinator



Heart Smart

The Cliff R. Roop Cardiac Support & Education Foundation

from the LGIT Board of Trustees

The Board of Trustees met on October 11, 2007 and took the following action:

- The Board approved the Local Government Insurance Trust's Combined Annual Financial Report (CAFR) for June 30, 2007 and 2006.

The Board of Trustees met on November 14, 2007 and took the following actions:

- The Board approved the following nomination of officers to the Board and also approved the nomination to fill the vacancy on the Board representing a member of MACo or MML:
 - Barrie Tilghman, Mayor, City of Salisbury, Chairman of the Board of Trustees.
 - David Deutsch, Manager, City of Bowie, Vice Chairman of the Board of Trustees.
 - Roger Fink, Charles County Attorney, Secretary of the Board of Trustees.
 - David Harrington, Council Member, Prince George's County, to fill the current vacancy and complete the term of office for the Trustee position on the Board of Trustees representing a member of MACo or MML.
- The Board approved an amendment to the limits for trees and shrubs to \$10,000 aggregate with no sub limits.



Former Attorney General of Maryland Visits LGIT

Early in November, J. Joseph Curran, Jr., former Attorney General of Maryland, visited LGIT to tour the Trust's new building, meet staff and discuss with Jon Burrell his keynote speech for LGIT's 20th Annual Meeting.

Mr. Curran gave an enthralling speech, and the Trust would like to thank him for agreeing to speak at this year's annual meeting.

- **LGIT WELLNESS PROGRAM UPDATE**
- Many of LGIT's staff are working out with light weights, balance balls and exercise bands during a lunchtime circuit training program. Eighteen LGIT employees received flu shots in October. LGIT held two Lunch & Learn classes, 1) Learning to Recognize and Release Stress, and 2) Exercising with Balance/Exercise Balls for Healthy Backs. LGIT's Health Fair results were received from Well Advantage and the Staff Wellness Committee plans to base future classes on the needs indicated in the report.
- Talbot County government expressed an interest in developing and implementing a workplace wellness program of its own, so representatives from LGIT met with the County's representatives and provided them with information about LGIT's wellness program. To learn more about starting a workplace wellness program, please contact Marsha Carpenter or Sandy Tedrow, at 1-800-673-8231 — we'd love to share our exciting program with you!



Marsha Carpenter,
Human Resources
Specialist



Sandy Tedrow,
Executive Secretary

LGIT Board of Trustees

Barrie P. Tilghman, Chair, Mayor, City of Salisbury
David J. Deutsch, Vice Chair, City Manager, City of Bowie
Roger L. Fink, Secretary, County Attorney, Charles County
David S. Bliden, Ex-Officio, Executive Director, MACo
Scott Hancock, Ex-Officio, Executive Director, MML
David E. Carey, Commissioner, Town of Bel Air
Stewart B. Cumbo, Councilman, Town of Chesapeake Beach

David C. Harrington, Councilman, Prince George's County
Susanne Hayman, County Administrator, Kent County
Robert McCord, County Attorney, Harford County
John D. Miller, Burgess, Town of Middletown
F. Gary Mullich, Director, General Services, Garrett County
Wilson H. Parran, President,
Board of County Commissioners, Calvert County



SNOW REMOVAL CLAIMS GUIDELINES

Ready, set, plow! It's December and central Maryland has received its first snowfall. Of course, our members in the western part of the State have already had plows on the road. And, no matter how careful our drivers are, some property damage during snow removal is unavoidable. Local governments have a duty to maintain their streets in a reasonably safe condition, however, our members are not always legally liable for damage caused by snow removal.

LGIT's Claims Staff adheres to the sound and consistent guidelines below for determining the legal responsibility to pay snow removal claims for its members. Yet, each claim is evaluated according to the facts of the incident and the guidelines may be adjusted according to each member's needs.

Snow Removal Guidelines

For property located within the road right of way:

Mailboxes

Mailboxes are allowed within county and municipal right of ways.

- LGIT will reimburse a citizen for the cost of replacing a standard or like kind mailbox, if the mailbox, legally placed within the road right of way, is damaged by physical contact with a snowplow or other piece of snow removal equipment.
- LGIT will not replace a mailbox damaged as a result of the weight or impact of snow and ice being moved by a snowplow if there has been no physical contact with the mailbox by a piece of snow removal equipment.

Other Structures

- Occasionally, structures other than mailboxes may be placed within the road right of way by permit obtained in conformity with the county or city code.

Claims for damage to structures that are permitted to be located in the right of way and that are built in conformity with the permit will be handled in the same way as claims for damage to mailboxes:

- LGIT will pay the cost of repair or replacement if there has been physical contact with the structure.
- LGIT will not pay for damage caused by the movement of snow or ice.

LGIT will not assume responsibility for damage caused to unpermitted structures located within the road right of way.

not reimburse an abutting property owner for any repair or replacement work done by the property owner.

Private Property

Snow removal activities do not usually cause damage to private property located outside the right of way of the roads maintained by our members. Any claim that private property was damaged as a result of the local government's snow removal operations will be investigated, and liability will be determined on a case-by-case basis.

Public Awareness

Claims are reduced when the public is made aware of a fair and equitable claims policy. LGIT recommends that members make the public aware of their policies regarding snow removal claims. Members need to remind the public of the emergency nature of snow removal and the extreme conditions under which it is performed. This communication can be effected through members' governmental Web sites and other media. When citizens know and understand member policies, they will be less likely to become upset about the decisions affecting their claims.



Landscaping

Property owners often plant and seed within the right of way abutting their property. During the ordinary course of removing snow, damage to this kind of landscaping will occur from movement of snow and ice, contact with the equipment, and salting.

- LGIT will not reimburse a citizen for damage to landscaping and plants that have been placed within the road right of way.
- If the local government maintains the right of way, the area may be repaired and re-seeded by the local government in accordance with policy. LGIT will

In order to assist with claims investigations, LGIT's Claims Services Department recommends that members maintain a "Snow Plow Log" to document the following information:

- Dates of snow removal
- Identity of drivers assigned to each plow unit
- Unit start and completion time
- Unit plow route

**Department
of Claims Services
FAX 443.561.1739**

The stars shine bright at LGIT's 20th Annual Meeting

At LGIT's 20th Annual Meeting in Annapolis, the following awards were presented by the Trust to its membership for excellence:

Claims Practices - Carroll County Risk Management - Town of Elkton Training Award - Calvert County

Since this year was the Trust's 20th Anniversary, membership longevity awards were also presented to those members who had been with the Trust since inception as Charter Members, and also those who celebrated 20, 15 and 10 year membership anniversaries with LGIT.

10-Year Anniversary Award

Harford County, Howard Community College and Montgomery Municipal Cable.

15-Year Anniversary Award

Barton, Boonsboro, Brentwood, Capitol Heights, Chevy Chase Village, Chevy Chase Section 5, District Heights, Mount Rainier, Myersville, Riverdale Park, Seat Pleasant, and Secretary.

20-Year Anniversary Award

Caroline County, Caroline County Library, Carroll County, Cecil County, Cheverly, College Park, Denton, Easton, Emmitsburg, Grantsville, Indian Head, La Plata, Leonardtown, Luke, Mt. Airy, North Brentwood, Princess Anne, Salisbury, Sudlersville, Takoma Park, Willards and Worcester County.

We honored and congratulated our Charter Members who have been with the Trust since the beginning.

Charter Members Honored

Barnesville, Berwyn Heights, Bowie, Brunswick, Chestertown, Church Hill, Frostburg, Gaithersburg, Garrett County,

Kent County, Laurel, New Windsor, North Chevy Chase, Queen Anne's County, Sharptown, Somerset County, St. Mary's County, Sykesville, Talbot County, Taneytown, Washington Grove, and Westminster.

Life Saver Awards were presented by the Trust to Members who have been directly responsible for saving a human life.

Life Saver Award

Bowie, Garrett County, Snow Hill, and St. Mary's County.

Member award photos can be viewed and downloaded from LGIT's Web site at http://www.lgit.org/share_photos/20thAMPhotos.html



Mayor James L. McCarron and James Schumacher, City Manager, City of Taneytown, James Gist, Risk Coordinator, City of Westminster, Mayor Samuel Pierce, Town of New Windsor accept Charter Member Awards for their local governments. Josephine Billings, Risk Management Specialist, Carroll County accepts a 20-Year Anniversary Award.



DaVina Griffith, Risk Manager, accepts a Charter Member Award for Garrett County.



John Bowen and Roy Spalding of St. Mary's County Public Works Department each received Life Savers Awards for their quick actions in saving a citizen's life after a landfill accident.



Harry Chambers, Roger Judy, James Williams, and Michael Cloutier, Jr. of the City of Bowie Public Works Department each received a Life Savers Award for their heroic actions saving a woman from a vehicle accident fire.



Sharon Muir, Internal Auditor and Steve Marshall, Director, Dept. of Emergency Services accept a Charter Member Award for Somerset County.



Mayor Dennis Scheeselle and Councilwoman Margie Posey accept a 20-Year Anniversary Award for the Town of Indian Head.

Volunteers Recognized

At LGIT's 20th Annual Meeting, Board Chairman Gary Mullich gave special thanks to the many local government volunteers whose efforts are critical to the operations of the Trust. The following members were recognized for service to LGIT committees in fiscal year 2007:

David S. Bliden, Executive Director
Maryland Association of Counties

George P. Bradley, Risk Manager
Worcester County

David E. Carey, Commissioner
Town of Bel Air

David Chaires, Risk Manager
Queen Anne's County

Stewart B. Cumbo, Town Councilman
Chesapeake Beach

David J. Deutsch, City Manager
City of Bowie

Bryan C. Ebling,
Director of Risk Management Services
Caroline County

Tim Elliott, Director of Finance
City of Annapolis

Roger L. Fink, County Attorney
Charles County

Stephen J. Gindes, Director of Finance
Maryland Municipal League

Sharon Greisz, Director, Office of Finance
Howard County

Scott Hancock, Executive Director, Maryland
Municipal League

Susanne Hayman, County Administrator
Kent County

Charles Hessling, City Risk Manager
City of Bowie

Eric T. Lagstrom, Risk Manager
Town of Ocean City

Lynne Levin, Risk Management Administrator
Howard County

Becky Maginnis, Risk Manager
Washington County

Alfred E. Martin, Director of Finance
City of Hagerstown

Robert S. McCord, County Attorney
Harford County

Kimberly A. Millender, County Attorney
Carroll County

John Miller, Burgess
Town of Middleton

F. Gary Mullich, Director of General Services
Garrett County

Joyce A. Oliver, Director of Human Resources
Town of Bel Air

Wilson H. Parran,
President, Board of County Commissioners
Calvert County

Michael J. Sanderson, Legislative Director
Maryland Association of Counties

Christopher G. Schlehr, Town Administrator
Town of Bel Air

Terry L. Shannon, Finance Director
Calvert County

Laurell E. Taylor, City Clerk
City of Westminster

Barrie P. Tilghman, Mayor
City of Salisbury

Juan L. Torres, Director of Public Works
Town of Cheverly

John C. Walter, Risk Manager
Harford County

David W. Warrington, Administrator
Town of Cheverly

Odie Wheeler, Administrative Coordinator
City of Cambridge

Robert Williams, Risk Manager
Carroll County

Thanks to the Sponsors

LGIT acknowledges and thanks the following sponsors of its 20th Annual Meeting. Their support and participation in our annual program helped to enhance the quality of the meeting:

AON

Castle Security Group

Chubb Group

Corridor Printing, Inc.

**Crosswhite, Limbrick
& Sinclair, LLP**

Doubletree Annapolis Hotel

Filar Design, LTD

**Hyatt Regency Chesapeake
Bay Golf Resort, Spa & Marina**

Karpinski, Colaresi & Karp, P.A.

Niles, Barton & Wilmer, LLP

Ralco Products Company

Tidewater Insurance Associates



Bryan Ebling, Director of Risk Management Services, and Cindy Towers, Insurance Coordinator, accept a 20-Year Anniversary Award for Caroline County.

Mayor Peter Menke of the Town of Barnesville accepts a Charter Member Award.



Danielle Mandley, Accounting Administrative Assistant, accepts a 20-Year Anniversary Award for the Town of La Plata.



The Employment Law Hotline

Q & A

The Hotline is a phone service available to liability program members, which provides up to 30 minutes of free legal advice on employment matters. This member service is provided by LGIT, with the assistance of Daniel Karp, Esquire and Kevin Karpinski, Esquire.

LGIT has selected the following inquiry of interest that was posed through the Hotline.

Question

Can a local government require employees to provide information regarding secondary employment?

Answer

Yes. For numerous reasons, including staffing and potential conflicts of interest, local governments are entitled to be aware of all secondary employment engaged in by government employees. Therefore, A local government can require employees to provide information regarding their secondary employment.

1.800.845.8055

Police Secondary Employment And Local Government Liability

In December 2001, the Court of Appeals of Maryland decided *Lovelace v. Anderson*, a case which changed the landscape of local government liability for tortious acts or omissions committed by police officers working in a secondary employment security capacity. The Court held that, while acting as a private security guard, a police officer is not entitled to any form of public official immunity. Through application of common law agency principles, the court further concluded that an off-duty police officer may be deemed to be solely the employee of his private employer, or, and depending on the circumstances, could be deemed to have been acting for two employers at the time of the occurrence, namely the secondary employer and the police agency. Specifically, the court stated that "the same basic principles of Maryland agency law, for determining whether actions of employees generally are within the scope of particular employment relationships, are equally applicable to police officers."

"The same basic principles of Maryland agency law, for determining whether actions of employees generally are within the scope of particular employment relationships, are equally applicable to police officers."

Immunity Defenses

The decision in *Lovelace v. Anderson* dramatically reduced, if not eliminated, the immunity defenses available to police officers working in a secondary employment capacity which contemplates the use of police powers. Further, the decision no longer allows secondary employers who engage off-duty policemen as their agents to immunize themselves from liability for the officer's tortious conduct.

In order to determine whether an off-duty officer is employed by a single employer or joint employers, courts will look to factors including the power to select and hire the employee; the payment of wages; the power to discharge; the power to control the employee's conduct; and whether the work is part of the regular business of the employer.

Local Government Liability

In order for a local government to be held liable for the off-duty's officer's actions, a court or jury likely will consider numerous factors, including: whether the officer exercised a traditional police power; whether the officer was acting within his or her sworn jurisdiction; whether the police agency had knowledge, either actual or constructive, of the officer's action; whether the action taken by the officer simultaneously served the interests of the private employer and the local government; and whether the interests of the private employer and the local government that were served by the officer's actions were not inconsistent with each other. These decisions are fact-specific and generally will have to be made by a jury or other fact-finder.

In sum, the decision in *Lovelace v. Anderson* ended the ability of private employers who employ off-duty police officers to shift liability arising from the officer's acts back to local governments.

Instead, through application of agency principles, courts will determine on a case-by-case basis who in fact employed the officer at the time of the events in question and impose liability accordingly. It may very well be that both the private employer and the local government will both be responsible for the officer's acts.



John F. Breads, Jr.
Director,
Legal Services

“Added Value Service” Again!

Several years back, LGIT offered a valuation service to its members, which was completed in 2000. At that time, LGIT hired an independent appraisal firm, American Appraisals, to conduct valuations of members' historic structures, water and waste water facilities. Usually these types of facilities are difficult and costly for members to have valued; however, LGIT was able to fund the appraisals for its members using its “Added Value Service”, which allows for \$50,000 per year for property conservation type projects.

Added Value Service Plan

LGIT plans to offer the Added Value Service again to its members. LGIT is interviewing five appraisal firms and plans to select one in January 2008. The appraisals are scheduled to begin sometime in February 2008.

To expedite the valuation process, LGIT would like members to assist wherever possible. Members will be asked to provide contact persons who can provide useful background information about facilities scheduled for appraisal. The information that will be needed includes the age of the facility, the age of each structure, the date of any upgrades, and any available blue prints and/or sketches. This information will assist the appraisers in managing their time in their effort to value as many locations as possible.

In return, LGIT will provide each member with a letter identifying the appraisal firm, a list of the appraisal firm's contact names, and the name of the person(s) who will conduct the appraisal.

Valuations Take Time

LGIT knows from experience that it normally takes more than one year to complete a valuation project. The number of member facilities LGIT has on its list of locations to appraise is approximately 2,300. This includes not only water and wastewater treatment plants themselves, but also their related off site facilities (i.e., lift stations, water pump stations, water storage tanks).

Hopefully, it will take less time to complete the current valuation project in that LGIT will be concentrating solely on members' water and waste water facilities. However, LGIT is aware that with the increasing number of ENR and BNR plants, the caliber and expense of these facilities increases the difficulty of establishing their RCV (Replacement Cost Values) and/or ACV (Actual Cash Values). In addition to the cost, these types of facilities are more sophisticated, requiring more specialized equipment and a higher level of expertise for their operation. This results in a higher cost to run these plants, especially those that produce more than 500,000 gallons per day. This means appraisers must use the more complex ENR level of processing to value them.

How Are Facilities Valued?

Typically, LGIT uses the values provided by its members to value their facilities. In some cases, however, LGIT must adjust the value of a facility to bring it up-to-date with the current standards. In other cases, LGIT may use the best information available from the Marshall and Swift Valuation Service, especially for pricing water and waste water facilities. It is important that these types of facilities are correctly and realistically valued. This will minimize the cost for LGIT when purchasing reinsurance and excess coverage. Also, when a loss occurs, reinsurers require that LGIT provide them with accurate replacement cost values, or actual cost values, if the plant is located in Flood Zone A.

Valuation Schedules

LGIT will keep members apprised of the schedule of visits from the independent firm who will conduct the appraisals.

For any questions on LGIT's “Added Value Service”, please contact Richard A. Furst, Senior Loss Control Manager at dick@lgit.org or 800-673-8231.

LGIT
Congrats

Congratulations go to the following LGIT Members for their loss control and safety efforts:

Town of Betterton
Town of Friendship Heights
Town of Middletown
Town of Sudlersville

A special thanks to David S. Teel, Circuit Rider/Town Manager for the Town of Sudlersville, who did a superb job of responding to LGIT's Loss Control Hazard Evaluation Survey recommendations.

Thanks to St. Mary's County, and St. Mary's METCOMM for hosting three Defensive Driving Courses, which trained over 100 personnel.

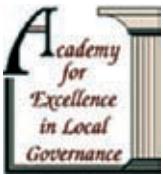
Thank You!



7225 Parkway Drive
Hanover, Maryland 21076

Training & Seminar Schedule

January



Basics of Risk Management

Wednesday, Jan 2, 2008
3:00 p.m. - 4:30 p.m.
MACo Winter Conference
Hyatt Chesapeake Bay
Cambridge, MD 21613

NSC-Defensive Driving Course

Tuesday, Jan 15, 2008
8:30 a.m. - 3:30 p.m.
District Heights City Hall
2000 Marbury Drive
District Heights, MD 20747

Certified Flagger Training

Thursday, Jan 17, 2008
9:00 a.m. - 12:00 p.m.
Cecil County Solid Waste Facility
Cecil County Roads Division
Administration Building
758 East Old Philadelphia Road
Elkton, MD 21921

February

Sewer Backup Property Loss Prevention

Location, Date & Time - TBA

NSC-Defensive Driving Course

Carroll County
Date & Time - TBA

For seminar descriptions,
directions and
registration forms, visit
<http://www.lgit.org/training/schedule.htm>



For more information, contact
Larry Bohlen, Training Coordinator,
at 1.800.673.8231 or by e-mail at lbohlen@lgit.org.