

*East Bay Charter Township*

# 4

Paul Olson of the Municipal Underwriters of Michigan will be in attendance to go over our coverage

**MUM**

**MUNICIPAL UNDERWRITERS OF MICHIGAN**  
935 ROBINHOOD LANE ~ GRAYLING, MI 49738  
Phone 888-883-6391 ~ Fax 989-348-4546

January 30, 2009

Sue Courtad, Clerk  
East Bay Township  
1965 Three Mile Road  
Traverse City, MI 49684

Dear Sue:

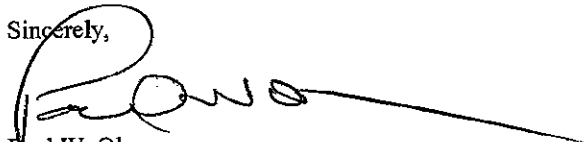
Enclosed you will find an Invoice and Summary of Coverages for East Bay Township's 2009-2010 insurance years. The Township has a renewal date of 03/01/2009.

Presently, the reinsurance structure of the Par Plan is better than ever, consisting of Montpelier Reinsurance LTD. Montpelier Reinsurance LTD's operating strategy is based on prudent capital management, and specializes in insuring specialty market business like the Michigan Township Participating Plan's program. The A.M. Best Company, which is the leading provider of insurance ratings, rated Montpelier with an "A" for excellent financial strength.

The quoted premium is **\$30,667.00**. This represents a reduction of \$17.00 from last years beginning cost of **\$30,684.00**

If you have any questions regarding your insurance coverage's, please do not hesitate to contact me at 888-883-6391. Your continued support of the Michigan Township Participating Plan's insurance program is appreciated. It has been a privilege to have served East Bay Township's insurance needs for the past 23 years. I am looking forward to your meeting on February 9<sup>th</sup>.

Sincerely,



Paul W. Olson  
Regional Risk Manager  
MUM

Municipal Underwriters of Michigan

935 Robin Hood Lane  
 Grayling, MI 49738  
 888-883-6391  
 polson@i2k.com

# Invoice

Date	Invoice #
1/30/2009	879

<b>Bill To</b>
East Bay Township 1965 Three Mile Road Traverse City, MI 49684

Account #	Policy Number
	MTP-241181

Effective Date	Expiration Date	Insurance Company	Type of Coverage	Charge
3/1/2009	03/01/2010	Michigan Township Par Plan	Package Plan	30,667.00

YOUR POLICY IS IN FULL FORCE AND PAYABLE ON EFFECTIVE DATE. IF NOT WANTED, PLEASE RETURN IMMEDIATELY.

<b>Total</b>	\$30,667.00
<b>Payments/Credits</b>	\$0.00
<b>Balance Due</b>	\$30,667.00

Fax #
989-348-4546

**MICHIGAN  
TOWNSHIP  
PARTICIPATING  
PLAN**

**SUMMARY OF COVERAGES  
FOR  
EAST BAY TOWNSHIP 2009-2010**

Presented By:  
**PAUL W. OLSON - RISK MANAGER**  
Municipal Underwriters of Michigan, Inc.

## **SUPPORT/SERVICE COMPANIES**

### **MARKETING AND SERVICE:**

PAUL W. OLSON  
Municipal Underwriters of Michigan, Inc.  
935 Robin Hood Lane  
Grayling, MI 49738  
1-888-883-6391 Michigan Watts  
989-348-4546 Fax

### **TECHNICAL ADMINISTRATION:**

Michigan Township Participating Plan  
1700 Opdyke Court  
Auburn Hills, Michigan 48326  
(248) 371-3100 - LOCAL  
(800) 783-1370 - MICHIGAN WATTS  
(248) 371-3069 - FAX

### **RISK CONTROL ADMINISTRATION**

Midwest Risk Control  
1700 Opdyke Court  
Auburn Hills, Michigan 48326  
(248) 371-3100 - LOCAL  
(800) 783-1370 - MICHIGAN WATTS  
(248) 371-3091 - FAX

### **CLAIMS ADMINISTRATION**

Midwest Claims Service  
1700 Opdyke Court  
Auburn Hills, Michigan 48326  
(248) 371-3100 - LOCAL  
(800) 783-1370 - MICHIGAN WATTS  
(248) 371-3069 - FAX

Municipal Underwriters of Michigan, Inc.

**I. COMPREHENSIVE MUNICIPAL LIABILITY COVERAGE:\***

Limit of Liability Per Occurrence	\$ 5,000,000
Limit of Liability Per Aggregate	\$ 7,000,000
Deductible	\$ 0

**ADDITIONAL INSURED:**

1. **Any** member of the governing body of the Named Insured
2. **Any** member of boards or commissions of the Named Insured
3. **Any** elected or appointed official of the Named Insured
4. **Any** employee of the Named Insured – Including **Contracted Assessor**
5. **Any** volunteer

**ADDITIONAL INCLUDED COVERAGES:**

1. Public Officials **RESIDENCE AND PLACE OF EMPLOYMENT**
2. Premises Medical Payments - \$10,000 Limit/volunteers included
3. Host Liquor Law Liability
4. Special Events Liability - Fireworks Liability by Endorsement
5. Governmental Professional Malpractice Liability
6. Incidental Medical Malpractice Liability
7. Cemetery Professional Liability
8. Broad Form Property Damage Liability-\$25,000 per occurrence
9. Employee Benefit Liability
10. Extended Bodily Injury and Property Damage Liability
11. Completed Operations
12. Property Legal Liability - \$500,000 Limit
13. Premises and Operations
14. Care, Custody and Control Coverage - \$25,000 per occurrence
15. Explosion, Collapse and Underground (exclusions deleted)
16. Vicarious Liability
17. Fellow Member Liability
18. Governmental Tort Immunity Waiver
19. Non-Owned and Hired auto liability coverage
20. Non-Owned and Owned Watercraft Liability-under 26'in length
21. Personal Injury Protection Includes:
  - A. FALSE ARREST, DETENTION OR IMPRISONMENT
  - B. MALICIOUS PROSECUTION
  - C. WRONGFUL ENTRY OR EVICTION OR OTHER INVASION OF THE RIGHT OF PRIVATE OCCUPANCY
  - D. LIBEL, SLANDER, ORAL OR WRITTEN PUBLICATION
  - E. MENTAL ANGUISH & MENTAL INJURY

**PUBLIC OFFICIALS WRONGFUL ACT LIABILITY  
(Errors & Omissions)**

Limit of Liability Per Occurrence:	\$ 5,000,000
Limit of Liability Aggregate:	\$ 6,000,000
Deductible:	\$ 0

**The following are areas of exposure to public officials and employees, which most generally are covered by a legal liability policy:**

1. A decision or opinion of the municipal board
2. A decision or opinion of the fire & ambulance department
3. A decision or opinion of the zoning or planning board and zoning board of appeals
4. Regulatory Taking of Private Property" sustained by any one person or organization is One Hundred Thousand Dollars and No Cents (\$100,000). "Regulatory Taking of Private Property", means the enactment or enforcement of any regulation or ordinance, which unconstitutionally and temporarily restricts the use of private property.
5. Decisions or opinions of Building, Electrical, Plumbing Inspectors and Contracted Assessors
6. Alleged negligence or incompetence on the part of any public official or employee including the failure to carry out duties.
7. Accusations regarding mismanagement of municipal owned assets
8. Inadequate supervision of voter registration & elections
9. Improper hiring or firing of employees
10. Failure to check auditing & accounting practices
11. Violation of Civil Rights: Civil Rights are defined as "means the deprivation of any rights, privileges, or immunities secured by the Constitution and laws, including discrimination based upon religion, race, color, national origin, age, gender (including sexual harassment, unwelcome sexual advance, request for sexual favors, and other verbal or physical conduct or communication of a sexual nature), height, weight, disability, or marital status"
12. Back Wages- \$25,000 per person

Note: Failure of assured to provide or maintain valid insurance policies is not a covered exposure.

Municipal Underwriters of Michigan, Inc.

<b>II. FLEET LIABILITY COVERAGE:</b>	<b>LIMITS</b>
A. Bodily Injury & Property Damage [CSL]	\$ 5,000,000
B. Personal Injury Protection	Statutory
C. Personal Property Insurance	\$ 5,000,000
D. Uninsured Motorists	\$ 100,000
E. Non-owned & Hired Auto Liability	\$ 5,000,000
F. Mini-Tort Liability	\$ 500
G. Underinsured Motorists	\$ 100,000

**III. FLEET PROPERTY COVERAGE:**

Property limit \$ 225,297.00

- |                  |                                          |
|------------------|------------------------------------------|
| A. Comprehensive | \$ 100 ACV Deductible, Actual Cash Value |
| B. Collision     | \$ 100 Deductible, ACV, Broadened        |

**IV. INLAND MARINE COVERAGE:**

Providing **ALL RISK, REPLACEMENT COST COVERAGE** for property and equipment while on or off the premises. **NO CO-INSURANCE**

Property limit \$ 90,000.00  
Deductible \$ 100

**SEE ATTACHED SCHEDULE**



[General](#) | [Liabilities](#) | [Fairs](#) | [Expos List](#) | [Property](#) | [Inland Marine](#) | [E.D.P.](#) | [Other](#) | [Add Insured](#) | [Info](#)  
[Auto Coverage](#) | [Catastrophic Coverage](#) | [Garage Keepers](#) | [Auto Certs](#) | [Change List](#) | [Back To App List](#)

Application: T000020008220

EAST BAY TOWNSHIP

▲ Auto #▼	▲ New Cost▼	▲ Comp. Ded.▼	▲ Coll. Ded.▼	▲ Year▼	▲ Description▼	▲ VIN #▼	▲ Type▼
1	\$ 90,000	\$ 100	\$ 100	1995	FORD AMBULANCE	7255	4
2	\$ 27,897	\$ 100	\$ 100	1998	CHEVY STAKE TRUCK WITH LIFT	0780	2
3	\$ 2,400	\$ 100	\$ 100	1988	DODGE VAN	2487	2
4	\$ 105,000	\$ 100	\$ 100	2004	FORD E-450 AMBULANCE	3599	4
<b>Total: \$225,297</b>							

Vehicle Type & Description:	Total # of Vehicles:	Total New Cost
1: Passenger Cars - ACV	0	\$0
2: Trucks, Vans - ACV	2	\$30,297
3: Garbage Trucks - ACV	0	\$0
4: Rescue Units - RC	2	\$195,000
5: Fire Vehicles - RC	0	\$0
6: Parade/Antique - RC	0	\$0
7: Dump Trucks - ACV	0	\$0
8: Rescue Units - ACV	0	\$0
9: Fire Vehicles - ACV	0	\$0
10: Parade/Antique - ACV	0	\$0
11: Police Cars - ACV	0	\$0
12: Buses - ACV	0	\$0
13: Trailers - ACV	0	\$0
14: Motorcycles - ACV	0	\$0
15: Police motorcycles-ACV	0	\$0
16: Snowmobile-ACV - NY Only	0	\$0
<b>Grand totals:</b>	<b>4</b>	<b>\$225,297</b>

This application is READ ONLY. It has already been submitted.

Session ID: 399916756

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Application: T000020008220

**EAST BAY TOWNSHIP**

▲ Serial #▼	▲ Year▼	▲ Make▼	▲ Model▼	▲ Department▼	▲ Type▼	▲ AR▼	▲ Limit▼
Total:							\$0

Schedule Total:	\$0
Miscellaneous Property & Equipment:	\$50,000
Ancillary Equipment:	\$40,000
<b>Inland Marine Total:</b>	<b>\$90,000</b>

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Municipal Underwriters of Michigan, Inc.

The following coverage limits, and definitions have been extracted from the special **Fire Department Endorsement** for the clarification and understanding of our client:

1. **REPLACEMENT COST:** The company shall not be liable beyond the actual cash replacement cost of the property at the time any loss or damage occurs, and the loss or damage shall be ascertained or estimated on the basis of actual cash retail replacement cost of property similar in kind to that insured

2. **RENTAL REIMBURSEMENT:** The company shall not be liable for more than the actual daily rental expense, not exceeding \$500 per day, nor for more than \$10,000 in the aggregate for all such reimbursement expenses during any one policy year.

3. **BROAD COLLISION:** It is agreed that in the event of loss or damage to an insured vehicle due to collision with another vehicle, the company will waive the specified deductible. This extension only applies when the insured is deemed not to have been substantially at fault.

4. **FREEZING EXTENSION:** It is agreed that this policy is extended to include coverage for damage to or loss of equipment due to freezing or extremes of temperature unless it is caused by failure to maintain such equipment. Such equipment shall include, but is not limited to pumps, gauges, nozzles, and tanks. Coverage is not provided for damage to or loss of vehicle engine.

5. **RECERTIFICATION EXTENSION:** It is agreed this policy is extended to cover the cost, if any, to recertify pumper apparatus when such recertification is made necessary by a loss covered elsewhere in this policy.

6. **BORROWED, LEASED, RENTED, OR COMMANDEERED FROM OTHERS:** This policy is extended to cover equipment of a nature similar to that scheduled in this policy which has been borrowed, leased, or rented from others during the term of this policy. The company shall not be liable under this endorsement for more than \$50,000 (ACV) on any one vehicle, \$300,000 Aggregate.

7. **EMERGENCY AUTOMOBILE EQUIPMENT ENDORSEMENT:** Equipment for a covered auto which is a fire truck, ambulance, rescue truck, or similar auto is considered part of the covered automobile if it is:

- a. Permanently attached; or
- b. Regulatory attached to the covered auto with a bracket or device; or
- c. Regulatory carried in a compartment or enclosure which is specifically designed for the equipment; or
- d. Obviously required to complete the covered automobile's ability to operate in it's intended use.

**8. PERSONAL EFFECTS OF VOLUNTEER FIREMEN:** This policy is extended to cover personal effects of the active members of the Fire Department while engaged in the activities of the Named Insured. The company shall not be liable for more than \$30,000 in any one loss, disaster or casualty involving property of the insured's active members, nor more than \$3,000 with respect to personal effects of any one active member.

**9. VOLUNTEER FIREMEN VEHICLES ENDORSEMENT:** This policy is extended to cover physical damage to uninsured owned and non-owned automobiles of the private passenger, van or pickup truck typed operated by a volunteer firefighter, emergency medical technician or first responder that is named on the roster. Coverage not to exceed \$1000 per loss. Any deductible applicable to the physical damage coverage of this policy shall not apply to claims under this endorsement.

**10. FIRE TRUCKS & INLAND MARINE COVERAGE:** IF THE MEMBER SUFFERS A TOTAL LOSS, THE INSURED HAS THE OPTION OF PURCHASING AN ADDITIONAL 25% OF THE INSURED LIMIT EVEN IF ONLY A PORTION IS NECESSARY TO FULLY REPLACE THE ITEM. UP TO 50% MORE AVAILABLE FOR EQUIPMENT REGULARLY CARRIED OR ATTACHED TO VEHICLE.

**V. PROPERTY [FIRE] COVERAGE:**

Total Blanket Building and Contents Limit	\$ 3,187,827.00
Deductible	\$ 100
Per Schedule on File with company	

A. Inflation Guard - 2.5% per quarter

B. Special Municipal Property Endorsement to include:

1. Personal Property off Premises - \$15,000 Limit
2. Personal effects of Employees - \$ 1,000 per person
3. Transportation - \$25,000 Limit
4. New construction upon building on the same site not required
5. Automatic Builders Risk Coverage - \$500,000 for 90 days
6. Loss of Rents Coverage - \$500,000 Limit - No deductible
7. Extra Expense Coverage - \$500,000 Limit - No deductible
8. Newly Acquired Property - \$500,000 60 days Limit
9. Care and Custody of Property of Others for which the insured is legally liable for physical loss or damage - \$25,000 Limit
10. Power Surge Coverage - \$10,000 Limit
11. Glass Coverage- 00 Deductible Glass Breakage
12. Tree Removal - \$500 per tree and \$1,500 annual aggregate on covered losses
13. Damage to property of others caused by falling limbs and/or trees whereby the limb and/or tree caused damage or movement to headstones, marker, etc...  
Limit of Coverage: \$5,000 per occurrence
14. Fire Hydrants are covered for up to four losses at \$3,500 each. More coverage is available if scheduled
15. 1<sup>st</sup> Party Sewer Back-up- \$25,000
16. Pollutant Cleanup and Removal- \$10,000

**VI. VALUABLE PAPERS AND RECORDS COVERAGE\*:**

Broad Form Coverage for the reconstruction of valuable papers and records \$100,000 year round limit of protection with \$0 deductible.

**\* NOTE: Higher limits available upon request.**



**KENRICK CORPORATION**

General | Liabilities | Fairs | Expsr Dist | Auto | Inland Marine | E.D.P. | Other | Add. Insured | Info

Property Coverage 1 | Property Coverage 2 | Change List

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Application: T000020008220

**EAST BAY TOWNSHIP**

▲ Loc.# ▼	▲ Bldg.# ▼	▲ Bldg within 50ft ▼	▲ Street Address ▼	▲ POK ▼	▲ CK ▼	▲ Bldg. Lim. ▼	▲ Cont. Lim. ▼	▲ Mine Sub ▼	▲ Yr. Built ▼	▲ FAR ▼	▲ BF ▼
1	1	No	1965 3 MILE RD	10	2	\$ 1,280,750	\$ 250,000	\$ 0	1985	R	100
2	1	No	110 HIGH STREET FIREHALL	15	2	\$ 896,000	\$ 47,250	\$ 0	1975	R	925
2	2	No	GENERATOR HOUSE 110 HIGH ST	18	1	\$ 31,000	\$ 25,000	\$ 0	1978	R	901
3	1	No	COMPACTOR GARAGE RASHO ROAD	16	1	\$ 29,000	\$ 53,252	\$ 0	1974	R	501
3	2	No	2ND COMPACTOR GARAGE RASHO ROAD	16	1	\$ 31,000	\$ 53,252	\$ 0	1978	R	501
4	1	No	WELL HOUSE 3 MILE ROAD	18	1	\$ 34,182	\$ 0	\$ 0	1	R	901
5	1	No	1965 3 MILE RD	10	1	\$ 187,535	\$ 11,220	\$ 0	1	R	100
6	1	No	GRACE MCDONALD PARK PAVILION	11	1	\$ 27,000	\$ 0	\$ 0	1978	R	614
6	2	No	GRACE MCDONALD PARK STORAGE	16	1	\$ 17,000	\$ 5,000	\$ 0	1978	R	401
6	3	No	GRACE MCDONALD OUTHOUSE	11	1	\$ 2,400	\$ 0	\$ 0	1978	R	615
6	4	No	GRACE MCDONALD STORAGE	11	1	\$ 5,500	\$ 0	\$ 0	1978	R	403
7	1	No	KELLY PARK VIEW POINT ROAD SHED	11	1	\$ 1,600	\$ 0	\$ 0	1978	R	403
7	2	No	KELLY PARK GARAGE	11	1	\$ 55,000	\$ 5,000	\$ 0	2001	R	401
7	3	No	KELLY PARK GARAGE	11	1	\$ 42,000	\$ 5,000	\$ 0	2003	R	401
7	4	No	KELLY PARK	11	2	\$ 7,000	\$ 0	\$ 0	1975	R	615
7	5	No	KELLY PARK	11	2	\$ 7,000	\$ 0	\$ 0	1975	R	615
8	1	No	WELL HOUSE CARLISLE ROAD	18	2	\$ 15,986	\$ 0	\$ 0	1	R	901
9	1	No	KILLINGSWORTH PARK VIEW POINT ROAD	11	2	\$ 17,000	\$ 0	\$ 0	1978	R	614
12	1	No	GENS PARK BATHROOM	11	2	\$ 39,000	\$ 0	\$ 0	1999	R	615
13	1	No	ARBUTIUS PARK OUTHOUSE	11	1	\$ 2,400	\$ 0	\$ 0	1978	R	615
14	1	No	KILLINGSWORTH PARK OUTHOUSE	11	1	\$ 4,500	\$ 0	\$ 0	1978	R	615
Totals:						\$2,732,853	\$454,974	\$0			
Grand Total:						\$3,187,827					

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Session ID: 399916756



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**VII. CRIME COVERAGE:**

- A. Limit of Coverage - \$10,000 Year Round - \$25,000 During Tax Time
- B. "Broad Form" Money & Securities
- C. Inside Coverage:
- D. Outside Coverage:
- E. Money Order and Counterfeit Paper Currency
- F. Depositors' Forgery
- G. Locations to Include:
  - 1. All Officials Homes
  - 2. Place of Employment
  - 3. Banking Facility

**VIII: PUBLIC OFFICIAL BONDS\***

Treasurer	\$25,000
Deputy Treasurer	\$15,000
Clerk	\$10,000
Deputy Clerk	\$10,000
Supervisor	\$ 5,000
 BLANKET BOND	 \$10,000

**NOTE: THE ABOVE BONDS ARE INCLUDED AT NO ADDITIONAL CHARGE**

**ADDITIONAL POSITIONS AND HIGHER LIMITS AVAILABLE**  
(Those who collect money or fees should be bonded)

**\* NOTE: Higher limits available upon request.**

**X. LAW ENFORCEMENT PROFESSIONAL LIABILITY COVERAGE:**

Limit of Liability Per Occurrence	\$ 0
Limit of Liability Per Aggregate	\$ 0
Deductible	\$ 0

- A. PERSONAL INJURY
- B. WRONGFUL ACT
- C. HOT PURSUIT ENDORSEMENT

**XI. BUSINESS ELECTRONIC EQUIPMENT COVERAGE:**

- A. Combined Media and Extra Expense Coverage - \$ 10,000
- B. System Breakdown Coverage Endorsement
  - 1. Mechanical Breakdown; Machinery Breakdown
  - 2. Short Circuit; Blow out; other Electrical Disturbance
  - 3. Electrical or Magnetic Injury

**XII. BOILER AND MACHINERY:**

- A. Repair of Replacement Coverage Included
- B. Direct Damage Coverage as follows: Unfired Pressure Vessels, Motors and Centrifugal Pumps. Internal Combustion Engines, Generators and
- C. Miscellaneous Electrical Apparatus

**Deductible of \$ 0 Applies    Limits \$ 0**

**XIII. VOLUNTEER FIREMEN'S ACCIDENT:**

**SEE ATTACHED**



**KENRICK CORPORATION**

[General](#) [Liabilities](#) [Fairs](#) [Expos](#) [List](#) [Property](#) [Auto](#) [Inland Marine](#) [Other](#) [Add Insured](#) [Info](#)

EDP Coverage [Change List](#)

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Application: T000020008220

**EAST BAY TOWNSHIP**

▲ Serial number▼	▲ Description▼	▲ Limit▼
	FIRE HALL COMPUTER COVERAGE	\$ 2,000
	MISC COMPUTER SYSTEMS	\$ 37,268
	<b>Total:</b>	<b>\$39,268</b>

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Municipal Underwriters of Michigan, Inc.

PREMIUM SUMMARY

I. COMPREHENSIVE MUNICIPAL LIABILITY	INCLUDED
II. FLEET LIABILITY	INCLUDED
III. FLEET (PROPERTY)	INCLUDED
IV. INLAND MARINE	INCLUDED
V. PROPERTY (FIRE)	INCLUDED
VI. VALUABLE PAPERS AND RECORDS	INCLUDED
VII. CRIME	INCLUDED
VIII. BONDS	INCLUDED
IX. WORKERS COMPENSATION	
X. POLICE PROFESSIONAL	
XI. BUSINESS ELECTRONIC EQUIPMENT	INCLUDED
XII. BOILER AND MACHINERY	
XIII. VOLUNTEER FIREMEN'S ACCIDENT	

TOTAL PAR-PLAN ANNUAL PREMIUM: \$30,667.00

**NOTE:** The **MICHIGAN TOWNSHIP PARTICIPATING PLAN** is formed under the enabling legislation of Public Act #138. It is a 'fixed cost, fully reinsured, **non-assessable program**', controlled by the Board of Directors of the Michigan Township Participating Plan.