



COUNTY ADMINISTRATOR
220 NORTH MAIN STREET, P.O. BOX 8645
ANN ARBOR, MICHIGAN 48107-8645
(734)222-6850
FAX (734)222-6715

TO: Wesley Prater, Chair
WAYS AND MEANS COMMITTEE

THROUGH: ROBERT E. GUENZEL
COUNTY ADMINISTRATOR

FROM: JUDY KRAMER, RISK MANAGEMENT
R.L. BEECKMAN, RISK MANAGEMENT CONSULTANT

SUBJECT: INSURANCE COVERAGES FOR OCTOBER 2004 – OCTOBER 2005

DATE: SEPTEMBER 1, 2004

Board Action Requested:

To accept a quote for insurance coverages for the time period of October 1, 2004 to October 1, 2005 for (1) property, (2), general liability, (3) police liability, (4) auto liability (5) excess liability, (6) boiler and machinery, (7) crime, (8) public officials, (9) fiduciary liability, (10) underground storage tanks, (11) lawyers professional, (12) judicial liability and (13) medical professional.

Background:

On October 1, 2004, the existing insurance coverages for the County of Washtenaw will expire. The insurance policies that will expire are the policies listed above. New insurance policies for these coverages need to be placed.

The County through R. L. Beeckman, a Risk Management Consultant, and Judy Kramer, Washtenaw County Risk Management Coordinator obtained various renewal quotes and negotiated renewal coverage's and premiums for these policies. The quotes were reviewed by R. L. Beeckman, Judy Kramer, Risk Management Coordinator, the Administrator, the Deputy Administrator and the Finance Department.

After careful review of the quotes and the current needs of the County, it has been determined that the following offers for insurance coverage's from the following companies should be accepted:

County Insurance Agent:

Arthur J. Gallagher Insurance Agency

Type of Coverage

1.	Chubb Insurance Company	\$135,677
	Property with \$185,000,000 loss limit Flood & Earthquake, E.D.P., (equipment & media). \$250,000 SIR. Boiler & Machinery with a \$100,000,000 loss limit, with \$1,000 deductible per occurrence.	
2.	Genesis Insurance Company	\$525,000
	General Liability, Police Liability, Auto Liability, and Public Officials \$5,000,000 limit per year, with a \$250,000 SIR per occurrence.	
3.	Great American Insurance Company	\$9,967
	Crime – Total Limit of \$5,000,000 with \$5,000 deductible	
4.	Chubb Insurance Company	\$11,000
	Fiduciary Liability – Limit \$3,000,000 each loss	
5.	Zurich Insurance Company	\$470
	Underground Storage Tanks, Limit \$1,000,000 with \$5,000 deductible	
6.	Underwriters at Lloyd’s, London	\$2,041
	Lawyers Professional Liability – Limit \$1,000,000 with \$1,250 deductible	
7.	Underwriters at Lloyd’s London	\$27,000
	Judges Insurance \$1,000,000 limit covers all Judges under one policy	
8.	Hudson Insurance Company	\$152,085
	Medical professional liability with \$1,000,000 limits and \$250,000 deductible.	

Discussions:

The insurance coverages will be used to protect the County from certain losses that may arise over the next 12 months.

The insurance policies will be in effect from October 1, 2004 through October 1, 2005. At which time, new bids will be solicited, depending on the market and based on the needs of the County at that time.

Impact on Human Resources:

There will be no impact on Human Resources.

Impact on Budget:

The current budget for insurance premiums is sufficient to cover these costs.

Impact on other County Departments or outside Agencies:

There will be no impact on other County Departments or outside agencies.

Conformity to County Policies:

This request conforms to County policy.

A RESOLUTION ACCEPTING OFFERS FOR INSURANCE COVERAGE FOR THE
COUNTY FOR THE PERIOD OCTOBER 1, 2004 – OCTOBER 1, 2005

WASHTENAW COUNTY BOARD OF COMMISSIONERS

SEPTEMBER 22, 2004

WHEREAS, various insurance coverages for the County *will* expire on October 1, 2004; and

WHEREAS, the County bid out these insurance coverages in July 2001, with Arthur J. Gallagher & Co. as the successful bidder; and

WHEREAS, the County's risk management consultant, R. L. Beeckman & Company, and Washtenaw County Risk Management Coordinator recommended obtaining various quotes from insurance carriers and negotiation with the current agent and the County Administrator concurred with this recommendation; and

WHEREAS, insurance proposals have been received from Arthur J. Gallagher & Co., and reviewed by R. L. Beeckman, the Risk Management Coordinator, the County Administrator's Office, and the Finance Department; and

WHEREAS, after review of the various proposals, recommendations have been made to award the insurance contracts; and

WHEREAS, this matter has been reviewed by the Finance Office, the County Administrator's Office, Corporation Counsel and the Ways & Means Committee.

NOW THEREFORE BE IT RESOLVED that the Washtenaw County Board of Commissioners hereby approves the following award to place the insurance contracts for Washtenaw County for the period October 1, 2004 through October 1, 2005, with the following companies:

County Insurance Agent:
Arthur J. Gallagher Insurance Agency

Type of Coverage

1.	Chubb Insurance Company	\$135,677
	Property with \$185,000,000 loss limit Flood & Earthquake, E.D.P., (equipment & media). \$250,000 SIR. Boiler & Machinery with a \$100,000,000 loss limit, with \$1,000 deductible per occurrence.	
2.	Genesis Insurance Company	\$525,000
	General Liability, Police Liability, Auto Liability, and Public Officials \$5,000,000 limit per year, with a \$250,000 SIR per occurrence.	
3.	Great American Insurance Company	\$9,967
	Crime – Total limit of \$5,000,000 with \$5,000 deductible	
4.	Chubb Insurance Company	\$11,000
	Fiduciary Liability – Limit \$3,000,000 each loss	
5.	Zurich Insurance Company	\$470
	Underground Storage Tanks, Limit \$1,000,000 with \$5,000 deductible	
6.	Underwriters at Lloyd's, London	\$2,041
	Lawyers Professional Liability – Limit \$1,000,000 with \$1,250 deductible	
7.	Underwriters at Lloyd's London	\$27,000
	Judges Insurance \$1,000,000 limit covers all Judges under one policy	
8.	Hudson Insurance Company	\$152,085
	Medical professional liability with \$1,000,000 limits and \$250,000 deductible.	

