

MEMO

To: City Council
From: Marc Thompson
Subject: Council Meeting June 24 2021
Date: June 21, 2021

Among the items on the agenda for our June 24 meeting are:

2020-2021 YEAR END BUDGET ADJUSTMENTS

Finance Director Vince Neyland is finalizing the adjustments; the budget summary and report is anticipated to be sent to you tomorrow. This will be the last amendment of the 2020-2021 fiscal year and will include minor adjustments and some significant adjustments such as for the recently approved parks improvements, or the conclusion of the Fruehauf Road project.

PROPERTY CASUALTY INSURANCE RENEWAL

Our agenda includes authorization to contract for property casualty insurance for the coming fiscal year. The total premium will be \$527,409 for identical coverage. The total premium is made up of several individual premiums for the various policies that we purchase.

- If we wish to change the deductible we can reduce the premium as indicated in the attached letter.

The total premium for the insurance for the last 3 years has been:

2020-2021:	\$395,301
2019-2020	\$308, 934
2018-2019	\$310,712

The renewal is with Nickel and Saph, the local agent which has had our policy for the last several years.

APPROVAL OF SERVICE CONTRACT FOR ASSESSING SERVICES

At our recent meeting, some questions were raised about the renewal of our assessing services arrangement. We have not had a contract with Assessment Administrators, but have simply been using their proposal dated July 12, 2018 to define the services they have provided.

The service that the city has received has been excellent, thus far. According to their most recent proposal the hours of staff located in our building has increased which is one of the reasons for the cost increase in their proposal.

Mr. DeNault has reviewed the attached contract and has only a question about the start date. We will have an answer to that question prior to our meeting on Thursday.

APPROVAL OF MICHIGAN MUNICIPAL LEAGUE WORKER'S COMP PAYMENT

We are members of the Michigan Municipal League (MML) and we purchase workers compensation insurance through the MML. The premium for the coming fiscal year will be \$107,969. As I understand, we have been purchasing worker's compensation insurance through the MML for the past several years. In order to continue with the coverage, we need to approve the payment to the MML for \$107,969.

It appears that we have not sought council approval of this expenditure in prior years, but in many respects it is not different than council authorizing the purchase of property and casualty insurance through Nickel and Saph.

CLOSED SESSION

We will likely have a closed session related to labor negotiations.



City of Fraser

CENTENNIAL COMMUNITY

MAYOR
Michael Carnagie
MAYOR PRO-TEM
David Winowiecki

COUNCIL
Amy Baranski
Kathy Blanke
Suzanne Kalka
Michael Lesich
Patrice M. Schornak

FRASER CITY COUNCIL – VIRTUAL SPECIAL MEETING THURSDAY, June 24, 2021 @ 6:30PM

- I. CALL TO ORDER
- II. PLEDGE OF ALLEGIANCE
- III. ROLL CALL OF COUNCIL MEMBERS
- IV. APPROVAL OF AGENDA
- V. CITIZEN PARTICIPATION ON AGENDA ITEMS
- VI. CONSENT AGENDA
 - a. City Council Meeting Minutes April 8, 2021
 - b. City Council Meeting Minutes April 15, 2021
- VII. REQUESTS FOR COUNCIL ACTION
 - a. Approval of Year End Budget Amendment
 - b. Approval of Insurance Renewal
 - c. Approval of Assessment Administration Services Agreement
 - d. Authorization to purchase Workers Compensation insurance through Michigan Municipal League – FY 2021-2022
- VIII. PENDING ITEMS OF UNFINISHED BUSINESS / REPORT OF THE CITY ADMINISTRATION
- IX. REPORT OF MAYOR AND CITY COUNCIL / NEW BUSINESS
 - a. City of Fraser State of Emergency Status - State of COVID Mandate Updates
- X. CLOSED SESSION
 - a. Strategy session connected with the negotiation of a collective bargaining agreement
- XI. CITIZEN PARTICIPATION
- XII. ADJOURNMENT

Posted Thursday, June 17, 2021 @ 4:00pm

IT is inviting you to a scheduled Zoom meeting.

Topic: Council Meeting

Time: June 24, 2021, 06:30 PM Eastern Time (US and Canada)

Join Zoom Meeting

<https://us02web.zoom.us/j/84981153841>

Meeting ID: 84981153841

Passcode: 831464

One tap mobile

+13017158592,,84625953078# US (Washington DC)

+13126266799,,84625953078# US (Chicago)

Dial by your location

+1 301 715 8592 US (Washington DC)

+1 312 626 6799 US (Chicago)

+1 929 205 6099 US (New York)

+1 253 215 8782 US (Tacoma)

+1 346 248 7799 US (Houston)

+1 669 900 6833 US (San Jose)

Meeting ID: 84981153841

Find your local number: <https://us02web.zoom.us/j/84981153841>

NOTICE OF ELECTRONIC PUBLIC MEETING

The Michigan Department of Health and Human Services issued an order on March 2, 2021 that prohibits indoor gatherings of more than 25 people at non-residential venues, and the Michigan Department of Labor and Economic Opportunity issued emergency rules on October 14, 2020 regarding remote work by employees when feasible. In addition, the City of Fraser has declared a local state of emergency, due to the ongoing COVID-19 pandemic. To ensure against violating the indoor gathering requirements for mandatory social distancing due to the limited space within the City Council Chambers, and in the interest of achieving the goal expressed in the MDHHS order and the MDLEO rules to protect the public health, particularly during a local state of emergency, the **Fraser City Council** will meet electronically on **June 24, 2021 @ 6:30PM** in accordance with the Open Meetings Act, using the Zoom platform for videoconferencing and public access."

This notice is required to ensure that those wishing to observe and/or participate in the meeting have the opportunity to do so. The public can participate via the Zoom application, internet access via the Zoom website, and/or via telephone using the Zoom telephone number and meeting ID. The public will be able to hear Council members and will be permitted to speak for up to five minutes during the public participation portion(s) of the agenda. Please note that callers/viewers will automatically be muted, and must remain muted until called upon to speak by the Mayor. Written comments will be accepted prior to the date and time (no later than 4:30pm on the day of the meeting) by the City Clerk @ kellyd@micityoffraser.com. During the meeting, members of the public may e-mail comments to publicmeeting@micityoffraser.com. The e-mail must provide the following: 1. Your name, address, and e-mail address 2. The agenda item in your subject line, if your comments pertain to a specific agenda item. To contact members of the City Council in order to provide input or ask questions on any business before the City Council at the meeting, please use the contact information found on the City of Fraser website: www.ci.fraser.mi.us. Public Hearing comments will be heard during any Public Hearing that is conducted during the meeting, and other comments will be heard or reviewed during public participation. The City of Fraser provides live public access to this meeting on Comcast Channel 5 and WOW Channel 10 and online at www.ci.fraser.mi.us. This live public access meets the OMA's requirements that all public body deliberations and decisions take place at a meeting open to the public. In addition, if technology permits, the meeting will also be streamed via the YouTube website and application. In the event of a change in the status of statewide or local states of emergency, the City Council meeting may be changed from a remote meeting to a live in-person meeting to be held at Fraser City Hall, 33000 Garfield Road, Fraser, MI 48026, on the same date and at the same time. The City will post notice of any change in method of conducting the meeting from a remote meeting to an in-person live meeting, and/or any change in the meeting place for this meeting, to the City's website at www.ci.fraser.mi.us. Interested parties should periodically check for such changes or contact the City Clerk's Office at (586) 293-3100. The City of Fraser thanks all of you for your understanding and support as we all attempt to navigate these challenging times together.

City of Fraser Administration - May 2021

**MINUTES
FRASER CITY COUNCIL – REGULAR MEETING - (VIRTUAL)
APRIL 8, 2021**

Regular Virtual meeting of the Fraser City Council was conducted on April 8, 2021 at the City Municipal Building, located at 33000 Garfield Rd., Fraser, in the County of Macomb, Michigan.

I. CALL MEETING TO ORDER

Mayor Carnegie called the Regular Virtual Meeting to order at 6:38 p.m. He advised of temporary technical issues.

II. PLEDGE OF ALLEGIANCE

III. ROLL CALL OF COUNCIL MEMBERS

PRESENT:

Amy Baranski, Council Member (remotely from Florida)
Kathy Blanke, Council Member (remotely from City Hall)
Michael Carnegie, Mayor (remotely from City Hall)
Michael Lesich, Council Member (remotely from Fraser, MI)
Patrice Schornack, Council Member (remotely from Fraser, MI)
David Winowiecki, Council Member (remotely from Fraser, MI)

ABSENT:

Suzanne Kalka

ALSO PRESENT:

Marc Thompson, Interim City Manager
Donald DeNault, City Attorney
David Bisby, Lieutenant
Ed Horn, AV Specialist
Vincent Neyland, Finance Director
Amy Cell, Human Resources Director
Mary Matuz, Office Clerk
David Bogdan, Parks and Recreation Commission

MOTION by Carnegie, second by Shornack, to excuse Member Kalka from the meeting.

Roll Call: Ayes – Carnegie, Schornack Baranski, Blanke, Lesich, Winowiecki
Nays – None

Motion carried.

IV. APPROVAL OF AGENDA

MOTION by Winowiecki, second by Blanke, to approve the agenda, as presented.

**MINUTES
FRASER CITY COUNCIL – REGULAR MEETING - (VIRTUAL)
APRIL 8, 2021**

Roll Call: Ayes – Winowiecki, Blanke, Baranski, Carnagie, Lesich, Schornak,
Nays – none

Motion carried.

V. CITIZEN PARTICIPATION ON AGENDA ITEMS

No members of the public participated.

VI. CONSENT AGENDA

MAYOR CARNAGIE

A. Approval of Minutes

- March 4, 2021 – Special Meeting
- March 11, 2021 – Regular Meeting

B. Approval of Disbursement List

- March 2021 - \$849,342.94

MOTION by Winowiecki, seconded by Blanke, to approve the consent agenda, as presented.

Roll Call: Ayes – Winowiecki, Blanke, Carnagie, Lesich, Schornak, Baranski
Nays – none

Motion carried

VII. REQUESTS FOR COUNCIL ACTION

1. Appointment of Acting Clerk

Interim City Manager Thompson advised that Acting Clerk Zelmanski left her position. He believes an Acting Clerk needs to be identified. Due to short staffing, he volunteered for the appointment.

MOTION by Blanke, second by Winowiecki, to authorize Interim City Manager Marc Thompson to serve as City of Fraser Acting Interim City Clerk.

Roll Call: Ayes – Blanke, Winowiecki, Baranski, Carnagie, Lesich, Schornak
Nays – none

Motion carried.

**MINUTES
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2. Proclamation of Arbor Day – April 30, 2021

Mayor Carnegie read the proclamation on Arbor Day.

3. Michigan Department of Transportation – Performance Resolution

Interim City Manager Thompson commented that this is a performance resolution that creates standards for work in the right-of-way such as utility work or excavation. It requires both the city and contractor to maintain liability insurance.

MOTION by Winowiecki, second by Baranski, to approve the Michigan Department of Transportation Performance Resolution, as outlined.

Roll Call: Ayes –Winowiecki, Baranski, Blanke, Carnegie, Lesich, Schornak
Nays – none

Motion carried.

4. Information Technology Vendors

Interim City Manager Thompson advised that all are anxious to keep this moving. Ms. Cell led the effort. He stated that it is important to note that Councilmembers Winowiecki and Lesich, Public Safety officers Sargent Eric Meyers and Lieutenant Dave Bisby, and Mr. Neyland played key roles.

Ms. Cell advised that the committee was amazing. Discussion between City Council and City staff ensued.

MOTION by Lesich, second by Winowiecki, to direct the City Manager, City Attorney and Finance Director to move forward with negotiations with IT Right to obtain them for information technology services.

Roll Call: Ayes – Lesich, Winowiecki, Baranski, Blanke, Carnegie, Schornak
Nays – None

Motion Carried.

5. Pay GRS Invoices (GRS – Retirement Consulting)

Interim City Manager Thompson advised that last fall the city received two actuarial reports relating to post-employment benefits programs. Later in the year, the City received two invoices in the amounts of \$12,000 and \$19,000. He is unable to verify prior invoice approvals. Mr. Thompson seeks council authorization to proceed to make payment.

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Mayor Carnegie stated that Mr. Zadowski performed the original work and that he does not recall it coming to council.

Interim City Manager Thompson stated the purpose of the actuarial report is that there is a relationship between the actuarial reports received and the corrective action plans provided to MERS. Mr. Thompson is reluctant to pay bills without prior approval. If approval had been found, the bills would have been paid.

Ms. Baranski inquired on procurement protocol and department head spending limits to enter into a contract. Mr. Thompson responded that the limit is \$7,500 with a few exceptions.

Mr. Thompson stated a new PO system was implemented within the last two months and that the City was trying to catch up during this transitional period.

Mr. Lesich commented that GRS is the audit firm doing the actuarial valuations since at least 2012, and that it was approved in the budget. He stated that theoretically the City should be putting money aside today for those future retiree health care costs. Mr. Lesich confirmed the two invoices total \$31,000.

MOTION by Lesich, second by Carnegie, to authorized payment to GRS for \$31,000 for our OPEB actuarial valuation.

Roll Call: Ayes – Lesich, Carnegie, Lesich, Schornak, Winowiecki, Baranski
Nays – None

Motion carried.

6. COVID-19 Funds Discussion

a. Restrictions

Interim City Manager Thompson advised discussions of American Rescue Act are beginning and its implication for local governments across the country and our interest in Fraser. He participated with Mayor Carnegie in a call with Congressman Andy Levin. Funds from the Act must be used for specific purposes.

Ms. Schornak stated that since the funds are hypothetical she recommends the Council delay discussions.

b. Park Improvements

**MINUTES
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Ms. Baranski recommended a more proactive approach to park improvements. She advised that she met with the Mayor, Mayor Pro Tem and City Manager. Ms. Baranski would like to see bids for the parks with consent from Council to proceed today.

Mayor Carnegie commented that purchases could see long delivery delays and back orders.

Ms. Schornak supports moving forward with the parks.

Mr. Winowiecki echoed Ms. Baranski and confirmed that this is for the area from the parking lot past the pool to the entrance of the park. He stated the entrance from the park is safe.

Mr. Carnegie acknowledged this would be an aggressive effort. He supports getting it moving but understands time constraints.

MOTION by Baranski, second by Blanke, to solicit bids for Harrington and Meadows Park with total cost (estimate) of \$160,000 and Boris Park for \$50,000. These bids should be obtained in the next six weeks.

Roll Call: Ayes – Baranski, Blanke, Carnegie, Lesich, Schornak, Winowiecki.
Nays – None

Motion carried.

c. Infrastructure Improvements

Discussion occurred among members of Council.

MOTION by Baranski, second by Carnegie, to create a sub-committee to address the roads and repairs of the roads with anticipated funding. The following sub-committee members are appointed: Mr. Winowiecki, Ms. Blanke, and Mr. Carnegie.

Roll Call: Ayes – Baranski, Carnegie, Lesich, Schornak, Winowiecki, Blanke
Nays – None

Motion carried.

7. Park Signs

Discussion occurred relating to the color and locations of park signs.

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MOTION by Baranski, second by Carnagie, to direct the City Manager and team to obtain bids for signs; given preferences of council; and to return to Council once received.

Roll Call: Ayes – Baranski, Carnagie, Lesich, Schornak, Winowiecki, Blanke,
Nays – None

Motion carried.

8. State of Emergency Extension through May 6, 2021

MOTION by Winowiecki, second by Baranski, to extend the state of emergency extension through May 6, 2021.

Mr. Don DeNault suggested to amend and to extend the date until May 13, 2021, the date of the next city council meeting.

MOTION by Winowiecki, second by Baranski, to extend the state of emergency extension through May 13, 2021.

Roll Call: Ayes – Winowiecki, Baranski, Blanke, Carnagie, Lesich, Schornak
Nays – None

Motion carried.

9. Clerk of Council Interviews

Members of City Council asked questions and heard the responses to the following City Clerk candidates: Mason Brudzyinski, Brian Fairbrother, and Lisa Hathaway.

Mayor Carnagie recessed the meeting for a five-minute break.

At 9:53 p.m., Mayor Carnagie called the meeting back to order.

Ms. Cell advised Council of the three possible options to proceed on a candidate for City Clerk.

MOTION by Winowiecki, second by Baranski, to move forward with Mason Brudzyinski contract negotiations with Amy Cell, Don DeNault and Marc Thompson.

Roll Call: Ayes – Winowiecki, Baranski, Blanke, Schornak,
Nays – Carnagie, Lesich

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Motion carried.

X. CLOSED SESSION

a. Strategy session connected with the negotiation of a collective bargaining agreement

MOTION by Carnegie, second by Baranski, to go into Closed Session at 10 p.m. for a strategy session connected with the negotiation of a collective bargaining agreement.

Roll Call: Ayes – Carnegie, Baranski, Blanke, Lesich, Schornak, Winowiecki
Nays – None

Motion carried.

Mayor Carnegie called the meeting back to order at 10:30 p.m.

VII. PENDING ITEMS OF UNFINISHED BUSINESS / REPORT OF THE CITY ADMINISTRATION

Interim City Manager Thompson stated that he looks forward to Mr. Ragsdale beginning employment at the Public Works Department.

Mr. Winowiecki inquired about portions of Kelly Rd. to which Mr. Thompson responded.

Mr. Lesich inquired about updates on the City Manager search. Mr. Thompson stated he has not been involved with the City Manager search, but he understands that the City received multiple resumes.

VIII. REPORT OF MAYOR AND CITY COUNCIL / NEW BUSINESS

Ms. Schornak inquired on Fruehauf Rd. in regards to the flooding Mayor Carnegie pointed out. Mr. Thompson stated that the flooding is a simple fix by installing fabric on the catch basins. Ms. Schornak asked about the status of work on 14 Mile Rd. regarding the valves and all the leaks. Mr. Thompson responded that it is a problem and that a solution has not been found yet. He is still searching for answers.

Ms. Schornak asked about updates from AEW.

Ms. Schornak stated that the budget public notice does not include the word virtual.

MINUTES
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APRIL 8, 2021

Mr. Lesich said he is glad the City decided on a Clerk and that the City will get to a solution on 14 Mile Rd. Mr. Lesich acknowledged Mr. Neyland for a job well done so far.

Ms. Baranski echoed Mr. Winowiecki's sentiment about Mr. Neyland. She looks forward to Mr. Ragsdale starting.

Ms. Blanke is happy and honored to be a part of the discussion. She believes the City is receiving a face life. Ms. Blanke thanked Mr. Thompson and Mr. DeNault. Mr. Carnegie discussed Fraser's paid on-call firefighters. He recognized a few of the senior people including

- Brandon Kelly – 7 years
- Bill Adella – 15 years
- Tom Collins – 22 years
- Jim Ligorotis – 23 years
- Doug Rocco – 32 years

XI. CITIZEN PARTICIPATION

The following members of the public spoke under Citizen Participation:

- David Bogdan
- Dana Sutherland
- Jim Sutherland

XII. ADJOURNMENT

MOTION by Lesich, second by Winowiecki, to adjourn the Regular City Council Virtual Meeting of April 8, 2021 at 11:12 p.m.

Roll Call: Ayes- Lesich, Winowiecki, Baranski, Blanke, Carnegie, Schornak
Nays – None

Motion Carried.

Brian Fairbrother, City Clerk

Michael Carnegie, Mayor

**MINUTES
FRASER CITY COUNCIL – SPECIAL MEETING - (VIRTUAL)
APRIL 15, 2021**

Special Virtual meeting of the Fraser City Council was conducted on April 15, 2021, at the City Municipal Building, located at 33000 Garfield Rd., Fraser, in the County of Macomb, Michigan.

I. CALL MEETING TO ORDER

Mayor Carnagie called the Special Virtual Meeting to order at 6:35 p.m.

II. PLEDGE OF ALLEGIANCE

III. ROLL CALL OF COUNCIL MEMBERS

PRESENT:

Amy Baranski, Council Member (remotely from Fraser, MI)
Michael Carnagie, Mayor (remotely from City Hall)
Suzanne Kalka, Council Member (remotely from Fraser, MI)
Michael Lesich, Council Member (remotely from Fraser, MI)
Patrice Schornak, Council Member (remotely from Fraser, MI)
David Winowiecki, Mayor Pro Tem (remotely from Fraser, MI)

ABSENT:

Kathy Blanke, Council Member

ALSO PRESENT:

Marc Thompson, Interim City Manager
Donald DeNault, City Attorney
Vincent Neyland, Finance Director
Michael Pettyes, Interim Public Safety Director
Mary Matuz, Office Clerk
Ed Horn, AV Specialist

IV. APPROVAL OF AGENDA

MOTION by Kalka, second by Carnagie, to approve the agenda, as presented.

Roll Call: Ayes – Kalka, Carnagie, Lesich, Schornak, Winowiecki, Baranski
Nays – None

Motion carried.

V. CITIZEN PARTICIPATION ON AGENDA ITEMS

Mayor Carnagie stated that no participants are visible in the virtual waiting room. He stated the agenda will be amended to move the Public Hearing on the budget to be held on May 13.

MINUTES
FRASER CITY COUNCIL – SPECIAL MEETING - (VIRTUAL)
APRIL 15, 2021

VI. PUBLIC HEARING

MOTION by Carnagie, second by Kalka, to set date for item # 1 - Property Taxes and 2021-2022 Budget and item # 2 - 2021-2022 Police & Fire Special Assessments for May 13, 2021 at 6:30 pm.

Roll Call: Ayes – Carnagie, Kalka, Lesich, Schornak, Winowiecki, Baranski
Nays – None

Motion carried.

VII. DISCUSSION OF FY 2021-2022 BUDGET

1. Increasing Property Taxes and 2021-2022 Budget
2. 2021-2022 Police & Fire Special Assessments

Mr. Neyland introduced himself as the new Finance Director and Assistant City Manager City of Fraser. He began employment approximately one month ago.

Mr. John Walters, Acting Interim Finance Director City of Fraser, advised that the budget was created with input from Mr. Neyland and Mr. Thompson. He spoke with several department heads, incorporating their needs in this budget. His presentation was high level and focused on the General Fund.

Mr. Walters believes the City should receive between \$1 million and \$2 million in grant funding the next two fiscal years. Additionally, Mr. Walters created a new fund, Capital Projects Fund.

Ms. Schornak asked if the Fire Department equipment could come from non-general fund accounts. Mr. Walters thought that it probably could. Ms. Schornak believes that is the way it should occur.

Ms. Kalka inquired about the Kelly Rd. project. It is important to address now because Kelly Rd. is not on the Capital Projects Fund. Ms. Baranski inquired if it would come from roads as opposed to capital. Mr. Walters stated that none of the road projects are included on the schedule because they would be Capital items in fund 202 or 203.

Ms. Kalka discussed Public Act 33 and its ramifications. Ms. Baranski echoed Ms. Kalka's opinions related to Public Act 33.

Mr. Lesich discussed administrative fees. He believes administrative fees are higher than they have historically been.

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Mr. Thompson discussed the budget and its purposes. He believes it is a planning document. In one year, the budget will be much better. Mr. Thompson advised that Council look carefully about the long-term implications of reducing revenue sources.

VIII. REVIEW ACTIONS NECESSARY TO ADOPT FY 221-2022 BUDGET

Mr. Lesich asked Mr. Walters questions related to commodity and fixed rates. Discussion related to a Plante Moran study from several years ago occurred.

IX. CITIZEN PARTICIPATION

Mr. Carnegie opened the meeting to public comments. No members of the public spoke.

X. ADJOURNMENT

MOTION by Winowiecki, second by Kalka, to adjourn the Special City Council Virtual Meeting of April 15, 2021, at 8:27 p.m.

Roll Call: Ayes – Winowiecki, Kalka, Lesich, Schornak, Winowiecki, Baranski, Carnegie
Nays – None

Motion carried.

Brian Fairbrother, City Clerk

Michael Carnegie, Mayor



NICKEL & SAPH, INC.

INSURANCE SINCE 1929

MAILING ADDRESS:

P.O. BOX 46907
MT. CLEMENS, MI 48046-6907

OFFICE ADDRESS:

44 MACOMB PLACE
MT. CLEMENS, MI 48043
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www.nickelsaph.com

June 18, 2021

Mr. Marc Thompson
City of Fraser
33000 Garfield Road
Fraser, MI 48026

Re: Property and Casualty Insurance Renewal Proposal

Dear Mr. Thompson:

We are pleased to present our renewal proposal for coverages underwritten by Trident, a member of the Argo Group. Argo has an A.M. Best's rating of **A- XIV, Stable** and is an admitted carrier in the State of Michigan. The rating of XIV reflects Argo's surplus of over \$1.5 Billion (ratings range from I through XV). Trident specializes in providing risk management and insurance products and services only to public entities. Trident writes over \$150,000,000 in premiums on an annual basis throughout the eastern, southern, and midwestern states, including many public entities in Michigan.

The annual renewal premium and options are detailed in the enclosed Premium Summaries (one summary for the senior apartments, one for the package for all remaining coverages secured by the City, and one reflecting Cyber Coverage).

Historically, the premium for all policies have been paid in a single, lump sum payment. Due to the premium increase presented for the Trident package, we were able to negotiate semi-annual premium payments. No finance or carrying charges will apply. The premium for the senior apartments and the Cyber Liability will still be single, lump sum payments.

The City's combined loss ratio from July 1, 2016 to present is 124.82% (Total premiums - \$1,618,155 vs. incurred claims of \$2,019,710). Last year at this time, the loss ratio was 72.46%. This percentage excludes the apartments as the apartments are insured separately. Generally, loss ratios in excess of 45% are considered unprofitable.

Please note the following regarding the Trident proposal:

- 1.) All liability coverages are subject to \$5,000 per occurrence or wrongful act deductible except for Law Enforcement and Employment Practices liability claims; Law Enforcement and Employment Practices claims are subject to a \$25,000 deductible.
- 2.) As an enhancement, Trident provides \$10,000,000 (full limits) for Sudden and Accidental Failure to Supply, Limited Pollution Liability, and Liability from Back-up of Sewers.

3.) As an enhancement, Trident's Excess Liability Coverage provides separate limits per occurrence and aggregate over the following: General Liability, Public Officials' Liability, Employment Practices Liability, Law Enforcement Liability, and Automobile Liability (underlying Automobile Liability has no aggregate).

4.) As an enhancement, Trident provides Liability Coverage for Inverse Condemnation for limits of \$100,000 per occurrence and \$300,000 aggregate and Injunctive Relief (Non-Monetary Defense Costs) for limits of \$10,000 per occurrence and \$50,000 aggregate. Defense expenses for Inverse Condemnation claims are separate from the limits afforded for the payment of damages (the payment of defense expenses will not reduce the limits afforded for the payment of damages).

5.) All property coverages are written on a Replacement Cost basis with the exception of the Baumgartner Family Home, which, due to the building's age, will be valued on an Actual Cash Valuation basis.

6.) Trident will agree to allow Donald P. DeNault, Jr. of O'Reilly Rancilio P.C. as defense counsel for covered liability claims. Trident will allow the city to recommend defense counsel of the city's choosing. The preferred attorney must demonstrate prior experience defending public entities.

7.) Senior Housing is insured separately; the expiring annual premium was \$26,015.35. The renewal premium is \$25,964.30. This amount is separately declared in the premium summary section. Hudson Insurance is presenting the property insurance: limits of \$8,729,200 subject to a \$5,000 deductible. Liability insurance: limits of \$6,000,000 each occurrence and \$7,000,000 in the annual aggregate subject to no deductible. Although rated **A XV, Stable**, Hudson's excess carrier is not admitted by the State of Michigan. In case of carrier insolvency, payment of claims or refund of unearned premium may not be guaranteed by the State.

8.) The current Cyber carrier, Travelers Casualty and Surety Company of America, is non-renewing. Travelers demands evidence of Multi-Factor Authentication (MFA), which the city has yet to adopt. A proposal is provided from HSB Specialty Insurance Co. Coverage is offered on a Claims Made policy form. Cyber Coverage is unique in that policy provisions address both first party (damages incurred by the named insured to address covered expenses related to an unauthorized intrusion) and third party claims (liability damages resulting from covered claims made by third parties against the named insured) along with Cyber Crime claims too. Coverages include: **Liability** – 1) Network Security and Privacy Liability, 2) Payment Card Costs, 3) Media, and 4) Regulatory Proceedings. **First Party** – 1) Breach Costs (outside), 2) Extortion and Ransomware, 3) Data Recovery, 4) Bricking, 5) Notification Coast, 6) Business Interruption, and 7) Contingent Business Interruption. **Cyber Crime** – 1) Computer Fraud, 2) Funds Transfer Fraud, and 3) Social Engineering Fraud. Annual premiums are presented in the Premium Summary section of this proposal.

We encourage members of the City's Planning Commission and Zoning Board of Appeals to obtain the Michigan Citizens Planner training and designations. We will reimburse \$150 for each individual who obtains the Planner designation.

Program Discussion Points:

This is a true deductible program. Under the administration of covered claims, Trident does not require the advance, pre-funding of a claims account. The City is not required to deposit funds with the insurance carrier for the payment or administration of potential claims. Under a deductible program, Trident only charges for a deductible once a covered claim has occurred. The City is able to retain funds and is not required to expend funds in the anticipation of claims that may never occur.

The automobile physical damage coverage is afforded in a true deductible form. The City is responsible for a \$1,000 deductible; the deductible is waived if a collision claim occurs and the City's driver is not at fault (Broad Form Collision). Again, there is no requirement to advance or pre-pay expenses as this is a deductible policy form. A deductible is charged only when a claim occurs. The \$1,000 deductible applicable for glass claims incurred by a fire department truck claim will be waived. No additional retention applies.

Trident's carrier group, the Argo Group, operates as an admitted carrier. Payment of claims and refund of unearned premiums are guaranteed by the State of Michigan.

A \$5,000 deductible is applicable to covered General Liability, Public Officials', and Automobile Liability claims. A \$25,000 deductible applies to Law Enforcement and Employment Practices Liability claims. A \$1,000 deductible applies to Auto Physical Damage claims. A \$1,000 deductible applies to Property and Inland Marine claims. A \$5,000 deductible applies to covered Crime claims.

Trident's excess policy provides separate "towers" for each covered underlying liability coverage form (General Liability, Automobile Liability, Employment Practices Liability, Public Officials' Liability, and Law Enforcement Liability). For example, the combined (underlying and excess) occurrence limit for Law Enforcement Liability is \$10,000,000. If a covered \$5,000,000 or \$6,000,000 claim occurs, the payment of that claim will not affect or reduce the corresponding limits (also \$10,000,000) that are dedicated for the remaining four lines of coverage (General Liability, Automobile Liability, Employment Practices Liability, and Public Officials' Liability). Another way to explain this feature is to imagine five separate checks books, each with a starting balance of \$10,000,000; an amount that is replenished every year. Each "check book" or "tower" is dedicated solely to a single line of liability coverage.

The servicing address for all policy and claims related issues continues to be 44 Macomb Place, Mount Clemens, MI 48043 (our agency's office). The premium includes all claim services and loss prevention and safety inspections.

The city last performed an RFP for insurance in 2019. We were chosen from a field of three bidders and asked to renew the afforded coverages. The two competitors offered proposals that had reduced or less coverage, offered premiums in excess of what was presented by our agency, and offered substantially higher deductibles. It should also be noted that Nickel & Saph was the only respondent that offered the city the ability to select legal defense counsel of the city's choosing for the defense of covered claims.

Enclosed, please find a detailed copy of the Trident, Hudson, and HSB Specialty proposals. We are anxious and available to meet with yourself or any other members of the City's administration to answer any questions. Thank you.

Sincerely,

A handwritten signature in blue ink, appearing to read "Stephen R. Saph, Jr.", is written over a faint, light blue circular stamp or watermark.

Stephen R. Saph, Jr., LIC
Agent

Enclosures

2021 Insurance Market Conditions

In February of 2020, the *Wall Street Journal* warned “insurers have raised prices aggressively in the past year for companies of all sizes across the country and they have warned that price hikes are likely to continue.” (See attached.)

A recent article by the *CRC Group* affirms a hardening market across many casualty (liability) lines. Carriers are 1) reducing capacity (limit of liability offered to insureds), 2) increasing deductibles, 3) demanding sharply higher rates, and 4) some are exiting the business outright. In the past, where one or two carriers provided the coverage to fill out a public entity excess liability tower, a similar tower today may require six or more markets at significantly higher premiums.

Claims relating to police activities, lingering claims of sexual harassment and abuse and molestation since the #MeToo movement, and a significant increase in legal defense costs continue to cause struggles for casualty carriers. While qualified immunity statutes may protect individual police officers and officials, plaintiffs still have recourse against public entities. Also, many states have increased the statute of limitations or opened “lookback windows” for sexual abuse lawsuits.

A survey performed by the Pew Research Center in June of 2020 reflected a changing attitude of American adults relating to policing in our country.

- 71% strongly favored police training in non-violent alternatives to deadly force;
- 62% strongly favored a federal government database to track officers accused of misconduct;
- 43% strongly agreed that civilian oversight boards should have the power to investigate and discipline officers accused of inappropriate use of force or other misconduct;
- 35% strongly agreed that officers be required to live in the places that they police and
- 49% strongly agreed that the use of chokeholds or strangleholds by police should be made a crime.

Questions remain as to how the courts, legislators, and plaintiff attorneys will interpret the Pew findings and what impact will be felt by municipal casualty carriers.

Finally, a market outlook released by *Brown & Brown* for the second quarter of 2021 reflects a continued upward movement, with no signs of leveling off, for property rates – increased rates (rate increases of 5% to 15%), reduced capacity, and coverage reductions continue to plague commercial insurance buyers. The mid-February Texas winter storm damage alone may exceed \$10 billion in property damages.

In regard to the casualty market, *Brown & Brown* continues to see a hardening of the liability market. Loss severity continues to accelerate (according to Advisen, the median cost of a single fatality jumped to over \$5.1M in 2019, more than double the cost in 2015.)

At **Nickel & Saph**, we share the frustration of our clients with the current state of the market. While concerned over increased premium expense, we are more urgently worried about the reduction of capacity and the movement of carriers away from public entity accounts. While working daily in the municipal marketplace, please know that due to our over thirty-eight year’s of experience insuring municipalities that we are confident that we are exploring every avenue available in order to present competitive and effective protection from insurable loss for our clients.

See more at [WSJ.com/Markets](https://www.wsj.com/Markets)

Insurers Boost Rates for Businesses

BY NICOLE FRIEDMAN
AND LESLIE SCISM

U.S. companies are paying more for insurance, a reversal after years of flat or declining rates for property and liability policies.

Insurers have raised prices aggressively in the past year for companies of all sizes across the country. And they have warned that price hikes are likely to continue.

The turnabout underscores challenges for U.S. insurers after several years of large catastrophe losses and continued low interest rates, which have weighed on their investment returns.

Pretax operating income for the U.S. property-casualty insurance industry fell by 8% from 2014 to 2018 even as revenue from insurance premiums grew, according to ratings firm A.M. Best. Excluding investments and other income, the industry lost money from underwriting in 2016, 2017 and 2018.

A retreat from some accounts and lines of business by two major insurance players, **American International Group Inc.** and **Lloyd's of London**, has helped drive prices higher, according to brokers and underwriters.

Texas Roadhouse Inc. was hit with price increases of more than 20% for some of its coverage. "This is the first year we've seen where it really didn't matter what your loss history was," said Patrick Sterling, who oversees the restaurant chain's risk management.

Prices on nearly every type of insurance are rising, according to insurers and brokers. An exception is workers' compensation, which is highly regulated by states. Excluding workers' compensation, rates for property-casualty insurance sold to businesses rose 6.7% from a year earlier on average in the first three quarters of 2019, on track for the highest annual increase since 2003, according to brokerage **Willis Towers Watson**.

The Children's Shelter, a nonprofit in San Antonio that works with foster children and children who have been abused, expected its insurance costs this year to rise from last year's \$176,000 because the organization grew. But when it received a renewal quote of \$750,000, "my mouth hit the ground," Chief Executive Annette Rodriguez said.

The organization ended up buying coverage from a nonprofit insurer specializing in

Please turn to page B12

Business Insurance Costs Soar

Continued from page B1
nonprofits for \$315,000.

On an earnings call last week, **Chubb** Ltd. Chief Executive Evan Greenberg listed rate increases ranging from 3% to 33% across its various products globally. Increases averaged 8% for U.S. commercial buyers. Some of Chubb's biggest hikes were for property, excess-casualty and management-liability insurance for large U.S. corporations.

"There's nothing that I see that tells me the momentum will slow," Mr. Greenberg said.

Insurance is a cyclical industry. During periods without catastrophic claims, insurers compete for customers by lowering prices.

Following large natural disasters or other big losses, they typically raise prices or reduce exposure to certain risks. The current price increases are partly due to hurricanes, wildfires and other catastrophes in 2017 and 2018 that cost the global industry more than \$200 billion.

Even following these big events, insurers are well-capitalized and aren't in danger of running out of money to pay claims. But insurers' profits are being squeezed by low interest rates, which reduce income from the premiums they invest until needed to cover claims. They also face rising prices for their own insurance, so-called reinsurance.

"You keep hoping things are going to get better," said Bret Ahnell, executive vice presi-

dent at FM Global, a specialist in property insurance.

Prices charged by FM Global declined steadily between 2003 and mid-2018 before starting to move higher. Industrywide, "people just finally said, 'We can't operate under these conditions anymore,'" Mr. Ahnell said.

Insurers say they are also paying more for noncatastrophe claims. Property losses from building fires and mechanical breakdowns have mounted, said Joseph Peiser, global head of brokering at Willis Towers Watson. Some insurers have responded by reducing the maximum coverage in a policy, he said.

Industry executives say

there is a greater tendency to sue insurers and for juries to hand out higher awards.

While insurers are used to lawsuits over big insurance policies, "what we're seeing now is the attorney participation spreading into...small accounts," said **Travelers** Cos. Chief Executive Alan Schnitzer on a January earnings call.

Joanne Doroshow, executive director of the Center for Justice & Democracy at New York Law School, disputed that insurers need to raise prices to address lawsuits or large jury payouts.

"There exists no litigation data whatsoever to support the notion that claims are spiking," she said.

Dual turnaround efforts by AIG and Lloyd's have also been a catalyst for price increases.

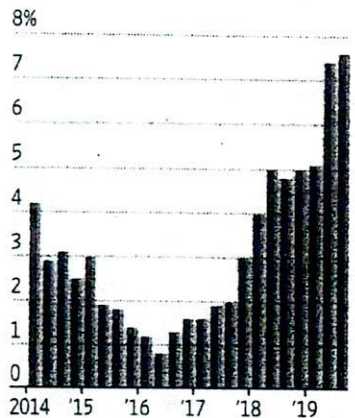
AIG has spent several years improving profit margins that suffered in the aftermath of its 2008 federal bailout, including reducing its commercial premium volume.

In 2016, AIG's net premiums written declined by more than 17% to about \$17 billion as the firm began to overhaul its book of business.

Since then, the new leadership's moves include shrinking policy sizes by tens of billions of dollars in the aggregate, AIG President Peter Zaffino told investors in December. "The market has to absorb that," he said.

Pay Up

Change in average price of U.S. commercial insurance from a year earlier.



Note: Excludes workers' compensation
Source: Willis Towers Watson

City of Fraser
Property, Casualty, & Automobile

Line of Coverage	Limits	20/'21	21/'22
General Liability	\$1M/\$2M	100,239	127,465
Public Officials'	\$1M/\$2M	14,789	26,152
Employment Practices	\$1M/\$2M	33,435	73,146
Law Enforcement	\$1M/\$2M	57,212	70,305
Auto Liability	\$1M CSL	40,734	35,419
Auto Physical Damage	\$3,680,173	36,879	38,359
Property	\$17,692,556	49,320	61,415
Inland Marine	\$1,290,662	2,320	2,462
Crime	\$100,000	1,277	925
Excess Liability	\$10M/\$10M	62,417	91,761
Total		398,622	527,409

Savings if Terrorism Coverage is Refused:

Terrorism - TRIA		6,209	8,085
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Savings w/ \$50K Employment and Law Deds. - \$20,221

Renewal increase \$128,787 or 32.31%.

Stephen R. Saph, Jr., LIC
Nickel & Saph, Inc. Insurance Agency
 586-463-4573
 586-463-3135 - FAX
 586-747-9315 - Cell
stephenjr@nickelsaph.com
 June 19, 2021

City of Fraser Premium and Loss History								
Year	Premium	Loss \$\$	Loss Ratio	Loss \$\$ as of 4-1-2020	\$\$ Change	Running 5 Yr LR	Running 3 Yr LR	Notes % Premium Change Year over Year
2006	\$184,010	\$35,485	19%	No Change	\$0			Expiring Prem w/MML \$294K 62%
2007	\$194,053	\$203,539	105%	No Change	\$0			105%
2008	\$194,750	\$215,712	111%	No Change	\$0		79%	100%
2009	\$257,343	\$7,980	3%	No Change	\$0		66%	Increased Limits from \$5M to \$10M 132%
2010	\$239,524	\$45,202	19%	No Change	\$0	47%	39%	93%
2011	\$229,271	\$234,424	102%	No Change	\$0	63%	40%	96%
2012	\$243,116	\$27,126	11%	No Change	\$0	46%	43%	106%
2013	\$220,489	\$177,593	81%	No Change	\$0	41%	63%	91%
2014	\$244,997	\$15,666	6%	No Change	\$0	42%	31%	111%
2015	\$259,994	\$13,141	5%	No Change	\$0	39%	28%	106%
2016	\$290,766	\$1,398,587	481%	\$899,270	\$499,317	130%	179%	112%
2017	\$312,402	\$103,105	33%	No Change	\$0	129%	175%	107%
2018	\$310,712	\$65,358	21%	\$67,690	(\$2,332)	112%	171%	99%
2019	\$308,934	\$207,343	33%	\$103,474	\$103,868	121%	40%	99%
2020	\$395,301	\$245,318	62%			125%	51%	128%
All YRS	\$3,885,662	\$2,995,576	77%	\$2,149,405	\$846,171			
5YR	\$1,618,115	\$2,019,710	125%	\$1,173,539	\$846,171			

When Trident first wrote the account, the expiring premium with the MML was \$294,000. Initial savings to the city were approximately \$110,000. It took ten years before Trident's pricing reach beyond \$290,000.

Projecting for a moment, if the city had stayed with the MML and the MML took only a 3% premium increase every year for the last 15 years, the total premium that the city would have paid over that time is approximately \$5,468,081. This means the city saved approximately \$1.5M in premium expense of over the last 15 years.

Over the past 15 years, there have only been 4 years in which the renewal pricing was 10% above the expiring premium: One was last year and another was in 2009 when the excess limits were increased from \$5M to \$10M. The other two years - 2014 and 2016 - were 11% and 12% respectively.



Insurance Proposal
for
City of Fraser, Michigan

EFFECTIVE DATE
07/01/2021 – 07/01/2022

Coverage Offered Through:



PRESENTED BY:

Nickel & Saph, Inc.

GENERAL LIABILITY

Occurrence Form

Standard Coverage

	<u>Limit</u>
Bodily Injury/Property Damage	1,000,000
Personal Injury/Advertising Injury	1,000,000
Damages to premises rented to you	100,000
Employee Benefits (\$1,000 deductible applies)	1,000,000
General Aggregate	2,000,000
Products/Completed Operations Aggregate	2,000,000
Deductible Per Occurrence (Expenses not included within retention)	5,000

Miscellaneous

<u>Description</u>	<u>Limit</u>	<u>Deductible</u>
Emergency Medical Technicians, Paramedics, Ambulance Attendants, Ambulance Drivers and Firefighters	Included	5,000
Limited Pollution Liability Coverage (Sewer & Water ONLY)	Included	5,000
Injury to Volunteer Firefighters	Included	5,000
Exclusion - (Limited) - Failure to Supply	Included	5,000
Additional Insured - Designated Person or Organization (SMART 535 Griswold St., Ste 600, Detroit, MI 48226, As respects: Leased Bus)	Included	5,000
Unmanned Aircraft Under 25 Pounds	25,000	5,000
Firefighters Elective Surgery Coverage Amendment	25,000/50,000	5,000

General Liability P.E. 2

	<u>Limit</u>	<u>Deductible</u>
Day Care, Day Camp, Nursery or similar facility	Included	5,000
Emergency Medical Service	Included	5,000
Fire District or Department	Included	5,000
Firework Display or Exhibition	Included	5,000
Public Transportation System, including but not limited to transport, operations and premises	Included	5,000
Public Water Utility	Included	5,000
Sewer System	Included	5,000

PUBLIC OFFICIALS' LIABILITY

Claims Made Form

Standard Coverage

	<u>Limit</u>
Per Wrongful Act	1,000,000
Annual Aggregate	2,000,000
Employment Related Wrongful Acts	Excluded
Deductible Each Wrongful Act (Expenses not included within retention)	5,000
Prior Acts/Retroactive Date	07/01/2006

Additional Coverages

Non-Monetary Defense Per Wrongful Act	10,000
Non-Monetary Defense Annual Aggregate	50,000

Miscellaneous

Description

	<u>Limit</u>	<u>Deductible</u>
Inverse Condemnation	100,000/300,000	5,000

Public Officials P.E. 2

	<u>Limit</u>	<u>Deductible</u>
Day Care, Day Camp, Nursery or similar facility	Included	5,000
Emergency Medical Service	Included	5,000
Fire District or Department	Included	5,000
Firework Display or Exhibition	Included	5,000
Public Transportation System, including but not limited to transport, operations and premises	Included	5,000
Public Water Utility	Included	5,000
Sewer System	Included	5,000

EMPLOYMENT PRACTICES LIABILITY

Claims Made Form

Standard Coverage

	<u>Limit</u>
Per Wrongful Employment Act	1,000,000
Annual Aggregate	2,000,000
Deductible Each Wrongful Act (Expenses not included within retention)	25,000
Prior Acts/Retroactive Date	07/01/2006

Additional Coverages

Non-Monetary Defense Per Wrongful Act	50,000
Non-Monetary Defense Annual Aggregate	50,000
EEOC* Per Wrongful Act	10,000
EEOC* Annual Aggregate	50,000

*EEOC - Equal Employment Opportunity Commission (EEOC) Hearing Expense Limit

Miscellaneous

Description

Back Wages

Limit
50,000

Deductible
10,000

LAW ENFORCEMENT LIABILITY

Occurrence Form

Standard Coverage

Per Wrongful Act

Limit
1,000,000

Annual Aggregate

2,000,000

Deductible Each Wrongful Act (Expenses not included within retention)

25,000

AUTO LIABILITY

Standard Coverage

	<u>Limit</u>	<u>Units</u>	<u>Symbol</u>
Liability Limit	1,000,000	51	1
Deductible	5,000		
Personal Injury Protection	Unlimited		5
Uninsured Motorist	100,000		2
Underinsured Motorist	100,000		2

Miscellaneous

<u>Description</u>	<u>Limit</u>	<u>Deductible</u>
Rental Reimbursement Coverage Emergency Service Vehicles	Included	5,000
Michigan Broadened Collision Coverage	Included	5,000
Garagekeepers Coverage	100,000	1,000
Michigan Property Protection Coverage	Included	5,000
Fire Districts Or Departments Freezing Coverage	Included	5,000
Additional Value For Recertification Endorsement	Included	5,000
Michigan Property Damage Liability Coverage Buyback	Included	5,000

AUTO PHYSICAL DAMAGE

<u>Standard Coverage</u>	<u>OCN</u>	<u>Deductible</u>	<u>Units</u>	<u>Valuation</u>	<u>Symbol</u>
Comprehensive	1,720,902	1,000	40	ACV	10
Comprehensive	2,563,122	1,000	11	Replacement Cost	10
Total Comprehensive	4,284,024		51		
Collision	1,720,902	1,000	40	ACV	10
Collision	2,563,122	1,000	11	Replacement Cost	10
Total Collision	4,284,024		51		

AUTO COVERAGE CONDITIONS

1 - Commercial Automobile Liability (Symbol 1)

Coverage is automatically provided for Any Auto.

2 - Commercial Automobile Physical Damage (Symbol 10)

Coverage is automatically provided for Owned Autos that meet the following requirements:

1. Autos shown in the Declarations as having physical damage coverage, as of the effective date shown in the Declarations; or
2.
 - a. "Auto" you newly acquire after the effective date and report to us prior to the expiration date, shown in the Declarations; and
 - b. "Auto" is of similar make, model and departmental usage as any "auto" that is currently covered under this policy for Physical Damage coverage; and
 - c. Vehicle value is less than \$250,000; and
 - d. Vehicles covered at Actual Cash Value.

IMPORTANT NOTE: For those auto(s) that do not meet the conditions outlined in 2a thru 2d above, there is no automatic coverage. A request for coverage must be submitted within 5 business days of the change. Auto Physical Damage coverage will then be added, by endorsement, for the appropriate premium charge. For auto(s) that meet these conditions, please continue to send change requests as soon as you are able, but no later than the expiration date of the policy (refer to 2a above) for accurate record-keeping and claims verification purposes, however an endorsement will not be issued.

PROPERTY

Standard Coverage

	<u>Limit</u>
Building	13,808,546
Business Personal Property	3,884,010
TOTAL INSURED VALUES	17,692,556
Blanket Limit Applies	Yes
Margin Clause	130%
Cause of Loss Form	Special
Co-insurance	90%
Deductible	1,000
Valuation	Replacement Cost

Other Perils

	<u>Limit</u>	<u>Deductible</u>
Earthquake	1,000,000	50,000
Flood	1,000,000	50,000

Miscellaneous

Description

	<u>Limit</u>	<u>Deductible</u>
ACV VALUATION: Loc#4-1, Historical House, 18577 Masonic	Included	1,000

Equipment Breakdown

Description

	<u>Limit</u>
Limit	17,692,556
Business Income and Extra Expense	500,000
Pollutant Clean Up and Removal	250,000
Refrigerant Contamination	250,000
Spoilage	250,000
Deductible - Direct Damage	1,000
Deductible - Indirect Damage	72 hour

Property Features and Benefits

<u>Description</u>	<u>Limit</u>	<u>Deductible</u>
Business Income Coverages		
Business Income and Extra Expense	500,000	72 hour
Dependent Property	100,000	72 hour
Interruption Of Computer Operations	10,000	72 hour
Lease Cancellation Moving Expenses	5,000	None
Newly Acquired or Constructed Property - Business Income	500,000	72 hour
Off Premises Utility Failure-Business Income	50,000	24 hour
Ingress or Egress	25,000	72 hour
Pollutant Clean Up And Removal	25,000	72 hour
Coverage Modifications		
Ordinance and Law		
Coverage A	Included	Included
Coverage B	1,000,000	Included
Coverage C	1,000,000	Included
Accidental Classroom Chemical Spills	50,000	1,000
Accounts Receivable Records	100,000	1,000
Accumulation of Surface Water	25,000	1,000
Animals		
Occurrence Limit	10,000	1,000
Aggregate Limit	50,000	1,000
Appurtenant Structures	100,000	1,000
Audio Visual and Communication Equipment	100,000	250
Changes in Temperature Or Humidity	50,000	1,000
Commandeered Property	250,000	250
Computer Equipment	250,000	1,000
Portable Computer Equipment		
Per Item Limit	1,500	1,000
Per Policy Limit	15,000	
Course of Construction		
Per Building	25,000	1,000
Per Policy Year	100,000	
Debris Removal - Your Premises	250,000	1,000
Debris Removal - Wind Blown Debris	10,000	1,000
Electrical Damage	50,000	1,000
Electronic Data	100,000	1,000
Fine Arts	100,000	1,000
Fire Department Service Charge	25,000	None
Fungus, Wet Rot, Dry Rot And Bacteria (limited coverage)	15,000	1,000
Glass Display Or Trophy Cases	5,000	500
Inventory And Appraisal	20,000	1,000
Key Card Coverage	25,000	1,000
Lock Replacement	10,000	None
Money And Securities		
On Your Premises	20,000	1,000
Away From Your Premises	10,000	1,000
Newly Acquired Or Constructed Property		
Buildings	1,000,000	1,000
Your Business Personal Property	1,000,000	1,000
Non-owned Detached Trailers	20,000	1,000
Off Premises Utility Failure - Damage to Covered Property	100,000	1,000
Outdoor Property	100,000	1,000
Outdoor Signs	5,000	1,000
Personal Effects And Property Of Others	50,000	1,000
Any one Employee or Volunteer	1,500	
Pollutant Clean Up And Removal	500,000	1,000
Property In Transit	50,000	1,000
Property Off-premises	50,000	1,000

<u>Description</u>	<u>Limit</u>	<u>Deductible</u>
Recharge Of Fire Protection Equipment	10,000	None
Retaining Walls	5,000	1,000
Reward Payments	15,000	None
Salesperson's Samples	10,000	1,000
SCADA Upgrade	100,000	1,000
Penstock	100,000	1,000
Sod, Trees, Shrubs and Plants		
Any One Tree, Shrub or Plant	1,000	
Occurrence Limit	10,000	1,000
Spoilage	25,000	1,000
Theft of Jewelry, Furs, Stamps And Other Specified Items		
Per Item	2,500	1,000
Max Occurrence Limit	10,000	1,000
Undamaged Leasehold Improvements	50,000	1,000
Underground Fiber Optic Cable		
Any One Occurrence	10,000	1,000
Each 12 month Period	50,000	
Underground Property, Paved Surfaces or Athletic Fields	250,000	1,000
Valuable Papers And Records (Other Than Electronic Data)	100,000	1,000
Virus, Harmful Code or Similar Instruction	25,000	1,000

INLAND MARINE

Standard Coverage

Limit Deductible Co-Ins Valuation

Computer Systems Coverage

Computer Equipment	232,900	1,000	
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Contractors Equipment

Scheduled Equipment	635,660	1,000	ACV
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Miscellaneous Property

Scheduled Miscellaneous Equipment	181,907	1,000	ACV
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Unscheduled Miscellaneous Equipment	250,000	1,000	ACV
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Subject to maximum amount of: 2,500 per item

CRIME

Standard Coverage

	<u>Limit</u>	<u>Deductible</u>
Employee Theft - Per Loss	100,000	5,000
Faithful Performance of Duty (Included in Employee Theft Limit)		
Forgery or Alteration	100,000	5,000
Inside the Premises - Theft of Money & Securities	100,000	5,000
Outside the Premises	100,000	5,000
Computer and Funds Transfer Fraud	100,000	5,000

EXCESS LIABILITY

Standard Coverage

Each Occurrence, Offense, Accident, or Wrongful Act
Annual Aggregate

Limit

9,000,000
9,000,000

Underlying Insurance

General Liability
Public Officials' Liability
Employment Practices Liability
Law Enforcement Liability
Auto Liability

1,000,000
1,000,000
1,000,000
1,000,000
1,000,000

The following is a price breakdown for this quotation:

Option 1

<u>Coverage</u>	<u>Subtotal</u>	<u>TRIA</u>	<u>Total Premium</u>
General Liability	123,752	3,713	127,465
Public Officials' Liability	26,152		26,152
Employment Practices Liability	73,146		73,146
Law Enforcement Liability	70,305		70,305
Auto Liability	35,419		35,419
Auto Physical Damage	38,359		38,359
Property	59,626	1,789	61,415
Inland Marine	2,390	72	2,462
Crime	925		925
Excess Liability	89,088	2,673	91,761
Total	\$519,162	\$8,247	\$527,409

Risk Control Services Proposal For City of Fraser

The Breadon Group in partnership with Trident Public Risk Solutions' Risk Control division works to provide our customers with cost-effective, Risk-Management-driven solutions to minimize exposure to losses. Since our business focus is on the public sector, we have the unique background to work with our customers, bringing in a wealth of experience in risk control for public entities throughout the country.

Our staff has extensive expertise in providing Risk Control services to our public entity customers. In addition, we have also assembled a network of industry experts and partners to assist in the delivery of services and specialized consulting. Coordinated through our corporate offices, this broad-based team can deliver timely world-class Risk Control services that are targeted to achieve effective results.

Trident Risk Control Website

Trident Risk Control offers an easy-to-navigate, fully searchable website with an array of resources to assist you in your program development and implementation. Resources available on the site include:

- **White papers** on topics such as:
 - Law Enforcement Liability
 - Playground Safety
 - Self-Inspection Check Lists
 - Management Operational Guides
 - Catastrophe Planning
 - Many others
- **Important links** to web resources
- Information on our **FREE web-based training** classes, with over 200 courses available
- **Partner resources**
- **Ask-the-Risk -Manager** portal with 24-hour turnaround time for risk control questions
- **E-Newsletter** archive

Visit the website at <https://www.argolimited.com/pages/argo-group-home/our-brands/trident/risk-control>

Risk Control Services

Trident Risk Control also makes a wide variety of services available to you to assist in the development of your risk management program. The following services can be accessed by a request to your agent or through contacting us at: asktheriskmanager@tridentpublicrisk.com.

Risk Management Consultation

If you have risk management questions, Trident's Risk Control Group has the answers, tools, or resources that you need. Sending us a question through our [Ask-the-Risk Manager portal](#) on our website or emailing us directly at asktheriskmanager@tridentpublicrisk.com. Our **24-Hour pledge** to you is to provide you help within one business day – but it is usually a lot faster. We are here to help!

Risk Control e-Newsletters and Special Bulletins

Trident Risk Control produces monthly newsletters with topics of interest and timely special bulletins for the many diverse departments at your organization. Subscribe and pass on to others, or supply us with a list of employee emails and we'll add everyone on your list to the distribution.

Model Law Enforcement and Detention Center Policies and Procedures

Trident partners with world-class law enforcement consultant [OSS Law Enforcement Advisors](#) to provide free model policies for use by law enforcement and detention center representatives. When the Supreme Court provides new rulings that affect law enforcement and detention center operations, your policies will need to be altered to comply with the new rulings—and Trident can provide them.

Discounted Property Appraisals

Having correct property valuations is important to any risk management program to ensure that, if disaster strikes, a structure to be replaced is valued properly. We offer discounted property appraisals for the locations that you select through our partner, [HCA Asset Management](#). We will coordinate with HCA to ensure that the appraisal services are delivered in a timely manner.

Systems Optimization and Maintenance

Saving money, reducing maintenance, and reducing equipment risk factors are important considerations for any organization. Through our partner, [Hartford Steam Boiler](#), we make available a number of tools, including maintenance suggestions and optimization calculators, to your maintenance and engineering staff. The tools can be accessed through our Partner Resources Portal on our website.

Online Training

Sometimes it is difficult to locate the specialized training that you need for your organization's staff. Trident Risk Control Services has over [200 training courses](#) available online to help you meet that need. Our partner, LocalGovU, has worked with us to develop topics specifically for governmental entities.

Loss Analysis: Understanding how to efficiently deploy your loss prevention efforts includes looking at elements such as number of claims, types, and department(s) in which they occur. Trident's Loss Analysis will provide a five-year look back, breaking down the losses to give you a clear picture of not only where they are occurring, but also causal factors. Simply contact your agent, Risk Control representative, or request a copy through: asktheriskmanager@tridentinsurance.net.

Program Development: One of your entity's more challenging tasks to undertake is creating or modifying a program. We can help through sample programs and sound advice on how to implement those programs across the diverse departments with which you work.

GENERAL CONDITIONS

This proposal is based on information provided to The Breadon Group, LLC by the Agent.

The quotation in this proposal does not necessarily match the coverages or limits requested in the bid specifications and/or application. No warranty is made or implied with respect to the total compliance to bid specifications or applications.

Each individual policy contains the actual terms, conditions and exclusions. This proposal highlights certain features and benefits of the Trident program.

ADDITIONAL INFORMATION REQUIRED AT BINDING

Signed TRIA Form.

Signed SOV.

Statement of Values: City of Fraser, Michigan

Effective Dates: 07/01/2021 - 07/01/2022

06/04/2021

Loc #	Bldg #	Building	Contents	Valuation	Const	Location	Address	City/Town	ST	Zip	Area	Year	Sprkl
1	1	\$6,258,637	\$797,255	RC	Joisted Masonry	City Hall and Public Safety	33000 Garfield	Fraser	MI	48026	26,412	2000	N
1	2	\$31,827	\$0	RC	Non-Combustible	PIO Steffens Park Shelter	33000 Garfield	Fraser	MI	48026	0	2003	N
1	3	\$8,487	\$0	RC	Non-Combustible	PIO Steffens Park Equip	33000 Garfield	Fraser	MI	48026	0	2003	N
1	4	\$28,644	\$0	RC	Non-Combustible	PIO City Hall Garfield Rd	33000 Garfield	Fraser	MI	48026	0	0	N
2	1	\$1,161,749	\$1,352,836	RC	Non-Combustible	Department Of Public Works Garage / Office	31250 Kendall	Fraser	MI	48026	14,350	1982	N
3	1	\$1,345,024	\$1,247,014	RC	Joisted Masonry	Library	16330 14 Mile Road	Fraser	MI	48026	7,541	1982	N
4	1	\$213,021	\$6,991	ACV	Joisted Masonry	Historical House	18577 Masonic	Fraser	MI	48026	1,827	1875	N
4	2	\$197,121	\$20,974	RC	Joisted Masonry	Museum Office	18577 Masonic	Fraser	MI	48026	1,008	2007	N
4	3	\$69,909	\$6,991	RC	Frame	Storage Barn	18577 Masonic	Fraser	MI	48026	864	1982	N
5	1	\$60,040	\$22,209	RC	Joisted Masonry	Steffens Park #1, Warm Shed	17084 14 Mile Road	Fraser	MI	48026	2,058	1982	N
6	1	\$34,957	\$0	RC	Joisted Masonry	Steffens Park #2, Shed	17804 14 Mile Road	Fraser	MI	48026	2,533	1982	N
7	1	\$55,654	\$19,739	RC	Joisted Masonry	Steffens Park #3, Electrical Shed	16952 14 Mile Road	Fraser	MI	48026	1,024	1982	N
8	1	\$67,032	\$19,739	RC	Joisted Masonry	Steffens Park #4, Rest Rooms	16960 Park Lane	Fraser	MI	48026	929	1982	N
9	1	\$99,933	\$27,962	RC	Joisted Masonry	Reindel Park	31284 Grosebeck Hwy.	Fraser	MI	48026	1,530	1982	N
10	1	\$36,325	\$0	RC	Non-Combustible	Linden Lift Station	31761 Utica Road	Fraser	MI	48026	0	1960	N
11	1	\$1,297,596	\$290,334	RC	Non-Combustible	Senior Activity Center	34935 Hidden Pine Drive	Fraser	MI	48026	10,666	1982	N
12	1	\$144,756	\$0	RC	Non-Combustible	Masonic Lift Station	18355 Masonic	Fraser	MI	48026	0	1950	N
13	1	\$144,756	\$0	RC	Non-Combustible	Masonic Lift Station	18361 Masonic	Fraser	MI	48026	0	1950	N
14	1	\$610,552	\$71,966	RC	Non-Combustible	Department Of Public Works Storage	31400 Kendall	Fraser	MI	48026	6,720	1982	N
15	1	\$207,674	\$0	RC	Non-Combustible	General Lift Station	16989 General Street	Fraser	MI	48026	0	2000	N
16	1	\$30,449	\$0	RC	Non-Combustible	Signs & Fire Hydrants Over \$ 1,001	PIO Undisclosed Location	Fraser	MI	48027	0	0	N
16	2	\$258,821	\$0	RC	Non-Combustible	(852) LED Overhead Street Lights	PIO Undisclosed Location	Fraser	MI	48026	0	2017	N
16	3	\$41,407	\$0	RC	Non-Combustible	PIO Siren System	PIO Undisclosed Location	Fraser	MI	48026	0	0	N
17	1	\$180,353	\$0	RC	Joisted Masonry	McKinley Park Rest Rooms	31500 Grove Street	Fraser	MI	48026	224	2015	N
17	2	\$31,827	\$0	RC	Non-Combustible	PIO McKinley Park Park Equip	31500 Grove Street	Fraser	MI	48026	0	1993	N
17	3	\$11,397	\$0	RC	Non-Combustible	PIO McKinley Park Fencing w/gates	31500 Grove Street	Fraser	MI	48026	0	1993	N
18	1	\$127,308	\$0	RC	Non-Combustible	PIO Steffens Park-Fort Fraser	17075 Anita Ave	Fraser	MI	48026	0	2003	N
19	1	\$25,149	\$0	RC	Non-Combustible	PIO Street Clock	14 & Garfield	Fraser	MI	48026	0	0	N
20	1	\$21,218	\$0	RC	Non-Combustible	PIO Bridge Harrington Park	15909-15911 E 14 Mile Rd	Fraser	MI	48026	0	2003	N
21	1	\$31,827	\$0	RC	Non-Combustible	PIO Bridge Garfield Park	Garfield Park	Fraser	MI	48026	0	0	N
21	2	\$106,601	\$0	RC	Non-Combustible	PIO Bridge Garfield Rd Est Ped	Garfield Park	Fraser	MI	48026	0	0	N
22	1	\$34,714	\$0	RC	Non-Combustible	Gas Boy Fuel Manager & Pump	31250 Kendall St	Fraser	MI	48026	0	0	N
23	1	\$14,853	\$0	RC	Non-Combustible	PIO Harrington Park Play Equip	15909 E 14 Mile Rd	Fraser	MI	48026	0	2003	N
24	1	\$5,305	\$0	RC	Non-Combustible	PIO Meadows Park Park Equip	Sugar Maple Dr	Fraser	MI	48026	0	1993	N
25	1	\$10,609	\$0	RC	Non-Combustible	PIO Reindel Park Equip	31284 Groesbeck	Fraser	MI	48026	0	1993	N
26	1	\$8,487	\$0	RC	Non-Combustible	PIO Pompo Park Park Shelter	Cambridge Dr North	Fraser	MI	48026	0	1993	N
26	2	\$113,401	\$0	RC	Non-Combustible	PIO Pompo Park Park Equip	Cambridge Dr North	Fraser	MI	48026	0	2020	N
27	1	\$9,018	\$0	RC	Non-Combustible	PIO Boris Park Play Equip	15794 E 14 Mile Rd	Fraser	MI	48026	0	2003	N

Loc #	Bldg #	Building	Contents	Valuation	Const	Location	Address	City/Town	ST	Zip	Area	Year Sprkl
28	1	\$136,300	\$0	RC	Non-Combustible	PIO Somerset Park Equip	Masonic Blvd	Fraser	MI	48026	0	1993
28	2	\$9,110	\$0	RC	Non-Combustible	PIO Somerset Park Fence	Masonic Blvd	Fraser	MI	48026	0	2020
29	1	\$167,957	\$0	RC	Non-Combustible	PRV Station FR-01	33020 Garfield	Fraser	MI	48026	0	2020
30	1	\$183,899	\$0	RC	Non-Combustible	PRV Station FR-02	33061 Groesbeck	Fraser	MI	48026	0	2020
31	1	\$174,842	\$0	RC	Non-Combustible	PRV Station FR-03	15261 14 Mile Rd	Fraser	MI	48026	0	2020
		\$13,808,546	\$3,884,010	Total:		\$17,692,556						

Insured Signature _____

Date _____

POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you have a right to purchase insurance coverage for losses resulting from acts of terrorism. As defined in Section 102(1) of the Act: The term "act of terrorism" means any act or acts that are certified by the Secretary of the Treasury-in consultation with the Secretary of Homeland Security, and the Attorney General of the United States-to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 80% OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

The prospective premium for certified acts of terrorism coverage is \$ 8,085

Please tell your insurance agent or broker whether you accept or reject certified acts of terrorism coverage.

Acceptance or Rejection of Terrorism Insurance Coverage

☐	Accept - I hereby elect to purchase terrorism coverage
☐	Reject - I hereby decline to purchase terrorism coverage

Policyholder/Applicant's Signature

Print Name

Date

CYBER INSURANCE PROPOSAL FOR CITY OF FRASER

06/03/2021



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LABS

WHAT'S IN THIS DOCUMENT

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Claims scenarios	page 5
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Cybersecurity and regulatory glossary	page 12
Acknowledgment of rejected coverage	page 13

NEXT STEPS

1 CHOOSE COVERAGE

Select the option that best suits your coverage needs (see page 3).
Quotes are valid until 06/24/2021, and may expire afterwards.

2 OPEN THE APPLICATION

Click the "Review application" link below the coverage price.

3 COMPLETE, SIGN AND SUBMIT

Complete the digital application or download to fill-in and sign manually.

*If you choose not to purchase coverage, please sign the Acknowledgement of rejected coverage form and return to your agent (see page 13).

CYBER COVERAGE OPTIONS FOR CITY OF FRASER

Select your preferred option, and click "Review application". See footer below for more details.

COST AND COVERAGE MAY CHANGE BASED ON YOUR RESPONSES TO THE APPLICATION.

	at bay	at bay	at bay
ISSUING INSURER	Non-Admitted	Non-Admitted	Non-Admitted
	HSB Specialty Insurance Company	HSB Specialty Insurance Company	HSB Specialty Insurance Company
AM BEST RATING Financial strength rating	A++ (Superior)	A++ (Superior)	A++ (Superior)
LIMIT Maximum amount paid by the insurance company for a claim	\$250,000	\$500,000	\$1,000,000
RETENTION The same as a deductible, the amount of a claim you pay	\$10,000	\$10,000	\$10,000
NOTIFICATION COSTS Cost to notify affected individuals after a data breach	\$250,000	\$500,000	\$1,000,000
BREACH COSTS INSIDE/OUTSIDE Will the breach costs erode the aggregate limit (inside) or are separate (outside)	Outside	Outside	Outside
BUSINESS INTERRUPTION Covers lost profits incurred due to not operating	\$250,000	\$500,000	\$1,000,000
BI WAITING PERIOD Minimum duration of business interruption before coverage starts	0 hours	0 hours	0 hours
CONTINGENT BUSINESS INTERRUPTION Losses from an interruption in 3rd party computer services or software	\$250,000	\$500,000	\$1,000,000
DATA RECOVERY The cost of recovering lost data	\$250,000	\$500,000	\$1,000,000
EXTORTION/RANSOMWARE Covers damage and ransom payments from an attack	\$250,000	\$500,000	\$1,000,000
BRICKING When computers and electronic hardware are damaged beyond repair	\$250,000	\$500,000	\$1,000,000
NETWORK SECURITY AND PRIVACY LIABILITY Third party liability costs	\$250,000	\$500,000	\$1,000,000
PCI Covers fines or penalties imposed by banks or credit card companies	\$250,000	\$500,000	\$1,000,000
REGULATORY In case you're fined by regulators (e.g., for breaching consumer privacy)	\$250,000	\$500,000	\$1,000,000
MEDIA When your content triggers legal action against you (e.g., libel, plagiarism)	\$250,000	\$500,000	\$1,000,000
COMPUTER FRAUD Covers funds or property stolen resulting from a hack	\$250,000 ¹	\$250,000 ¹	\$250,000 ¹
FUNDS TRANSFER FRAUD When a criminal deceives a bank/institution to transfer funds	\$250,000 ¹	\$250,000 ¹	\$250,000 ¹
SOCIAL ENGINEERING When cyber criminals deceive a business to transfer funds willingly	\$250,000 ¹	\$250,000 ¹	\$250,000 ¹
TOTAL	(Approximate) ² \$7,130.93	(Approximate) ² \$9,882.02	(Approximate) ² \$13,621.23
	PREMIUM \$6,957	PREMIUM \$9,641	PREMIUM \$13,289
	CARRIER FEE \$0	CARRIER FEE \$0	CARRIER FEE \$0
	+ BROKER FEE TBD	+ BROKER FEE TBD	+ BROKER FEE TBD
	SL FEES & TAXES \$173.92	SL FEES & TAXES \$241.03	SL FEES & TAXES \$332.22

[REVIEW APPLICATION](#)
[View sample policy](#)
[REVIEW APPLICATION](#)
[View sample policy](#)
[REVIEW APPLICATION](#)
[View sample policy](#)

¹ Cyber crime retentions may vary. After confirming presumptions, check firm quote for full details.

² All cost components are estimated. After the application is completed and signed you will receive a firm quote from the carrier.

* Costs may change based on final application responses.

Please review final quotes for most accurate information, as comparison data above is a simplified view and may contain inaccuracies. Retentions may vary by coverage part.



FAQ

WHAT IS CYBER INSURANCE?

When a breach occurs, cyber insurance covers the range of expenses that arise. These include identifying and solving the breach, recovering data, customer notifications, PR costs, possible credit monitoring expenses, legal expenses, potential fines from compliance regulators, extortion costs from ransomware, and general business interruption.

DO HACKERS REALLY BOTHER WITH ATTACKING SMALL BUSINESSES?

Yes. Hackers use technology to scan the internet for businesses with weak defenses regardless of the size of the business. A recent [Verizon report](#) notes that 43% of all cyber attacks are against small businesses. Worse, [63% of small businesses](#) had experienced a breach in the last 12 months. Any business with a computer and an internet connection is at risk - even if you don't sell anything on your website.

WHAT'S COVERED?

First-party coverage – Intends to cover damages a business suffers because of a cyber breach. This can include things like investigative services, business interruption coverage and data recovery.

Third-party coverage – Intends to cover damages if a business' customers or partners are affected by a cyber attack. This can include legal fees, settlement costs, security failures and media liabilities.

Cyber crime — Intends to cover damage due to any type of illegal activity that occurs using digital means. Examples of cybercrime are extortion/ransomware, phishing, social engineering, and wire transfer fraud.

DOESN'T MY CURRENT BUSINESS INSURANCE INCLUDE CYBER ATTACKS?

Many general business protection policies only partially cover damage from cyber events, *if at all*. As mentioned above, cyber coverage protects against the vast array of possible damages, expenses, and lost business that can occur from a cyber attack.

WHAT SHOULD I CONSIDER WHEN CHOOSING BETWEEN PURCHASING A STAND-ALONE CYBER POLICY VS. ADDING AN ENDORSEMENT TO AN EXISTING POLICY?

To be fully protected, ensure you have all coverages – first-party, third-party, and cyber crime. Further, since some cyber events can result in large expenses, confirm you have adequate sublimits for each of three above coverages.

WHY DO I NEED A "BREACH COACH"?

If your company gets hacked, you will need a breach coach to get your business back up and running fast. When a breach occurs, you need to assess and contain the damage, notify affected parties (e.g. customers and vendors), evaluate and act on the legal ramifications from agitated customers to regulatory bodies, and more. A breach coach will quickly assemble the right response team to deal with these issues. Without an expert it all falls on you, costing you time and money while adversely affecting your business. Fortunately, most insurance companies now provide a breach coach as part of a greater suite of services when you purchase stand-alone cyber insurance coverage.

DO SMALL BUSINESSES NEED CYBER INSURANCE IF THEY PRACTICE GOOD CYBER HYGIENE?

Being properly protected definitely helps. However, there is no way to fully protect against new threats. Hackers are always adapting to overcome cyber defenses with new versions of current threats or creating brand new methods of attacking businesses. Human error can also be a factor. Easy-to-hack passwords, phishing emails, or even a lost laptop also present potential entry points for a cyber criminal. Additionally, a third-party vendor could be attacked, impacting your ability to do business and exposing your data. Even if you use a third-party vendor for business services, as the data owner you may be legally responsible. A thorough cyber insurance policy is part of your overall risk management plan to ensure your business runs smoothly.

CLAIM SCENARIO

RANSOMWARE | Public Administration

The following example is meant to illustrate a potential scenario you might encounter. It may not necessarily represent details of a specific claim.

SITUATION

An employee of a local parole/probation office accidentally clicked on a malware link. The virus was downloaded onto the company server causing all data to be encrypted. The employee then received an email demanding \$41,055 paid in Bitcoin within 48 hours to release their data files.

1,500 customer records including name, address, age and criminal offense were encrypted. The office called their insurance company's cyber response team, who responded by assigning a "breach coach," which is covered as part of the office's stand-alone cyber policy.

The breach coach sent in a forensics team to assess the situation, including any computer or electronic hardware damage, and determine if paying the ransom was necessary. Concurrently, the insurance company confirmed coverage and assisted with opening a claim to minimize the effect of business interruption.

POTENTIAL IMPACT

INCIDENT RESPONSE

Incident response manager ("breach coach") fees

\$4,800

Forensic investigation costs to locate malware, analyze damage, ensure containment and calculate loss

\$6,050

Legal fees

\$4,000

NOTIFICATION COSTS

\$1,070

BUSINESS INTERRUPTION

\$24,476

DATA RECOVERY

Costs associated with replacing lost or corrupted data

\$9,075

EXTORTION/RANSOMWARE

Ransom payment

\$41,055

BRICKING

Damage to computer and hardware systems

\$8,220

TOTAL POTENTIAL CLAIM

\$98,746

RESOLUTION

While the business maintained regular back-ups online, the hackers also encrypted these files leaving the office no way to restore the data. The insurance company and breach coach agreed the fastest, best way to get the business back up and running was to pay the ransom.

The insurance company immediately paid the ransom via their pre-established Bitcoin account, releasing the records back to the office.

The swift assessment and payment, minimized the business interruption allowing the office to resume operations.



CLAIM SCENARIO

OUTDATED SOFTWARE | Public Administration

The following example is meant to illustrate a potential scenario you might encounter. It may not necessarily represent details of a specific claim.

SITUATION

Hackers penetrated a municipal government's network from a vulnerability in an outdated software application. 25,000 citizen names, emails, social security numbers and bank information were compromised.

Local authorities received multiple complaints of suspicious activity, leading the municipality's IT department to discover an unauthorized user had accessed the system.

Once discovered, the municipality called their insurance carrier who immediately brought in forensic experts to initiate the municipality's IT recovery plan and notification program.

POTENTIAL IMPACT

INCIDENT RESPONSE

Forensic investigation costs to isolate vulnerability, analyze damage, ensure containment and calculate loss

\$55,680

Identity theft and credit monitoring services

\$131,070

Incident response fees

\$24,100

Public relations fees to minimize reputational impact

\$25,000

Call center set up and operation to field inquiries

\$28,500

NOTIFICATION COSTS

\$6,500

DATA RECOVERY

Costs associated with replacing lost or corrupted data

\$41,750

REGULATORY

Legal expenses arising from regulatory investigation due to mismanagement of private information

\$44,500

Legal expenses and settlement costs for claims

\$148,300

Business Interruption

\$0

TOTAL POTENTIAL CLAIM

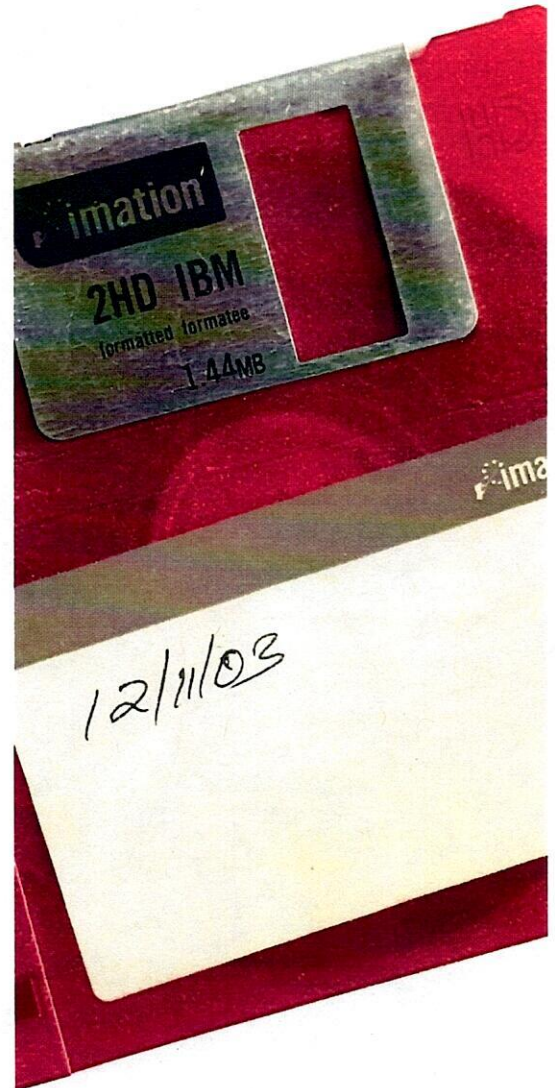
\$505,400

RESOLUTION

The municipality's cyber policy was triggered, giving them immediate access to response services. The insurance company dispatched a forensic team who quickly isolated the unauthorized user.

A claim was started immediately to help with impending legal, consulting and media costs. The insurance company, IT team and forensic consultants ensured the municipality had up-to-date cyber defenses including firewalls, intrusion detection software, and encrypted databases.

Concurrently, officials worked with local media to notify affected citizens and offer credit monitoring services, while the legal team handled the backlash from those affected. Finally, the forensic consultants helped develop a new plan that included regular updates, testing, and education of all staff to minimize future breaches.



CLAIM SCENARIO

SOCIAL ENGINEERING | Public Administration

The following example is meant to illustrate a potential scenario you might encounter. It may not necessarily represent details of a specific claim.

SITUATION

A correctional facility's emails were accessed by an attacker who, posing as the General Manager, asked an employee to contact the broker's bank with instructions for funds to be transferred into the hacker's bank account.

When the facility discovered that unauthorized payments were made totaling \$526,800, they immediately contacted their bank to freeze the funds and notified their cyber insurance carrier. Together, they were able to recover \$467,200 of the unauthorized transactions.

POTENTIAL IMPACT

INCIDENT RESPONSE

Forensic investigation costs to locate the breach, analyze damage, and ensure containment

\$11,330

Legal fees

\$9,100

FUNDS TRANSFER FRAUD

Transferred funds not recovered

\$59,600

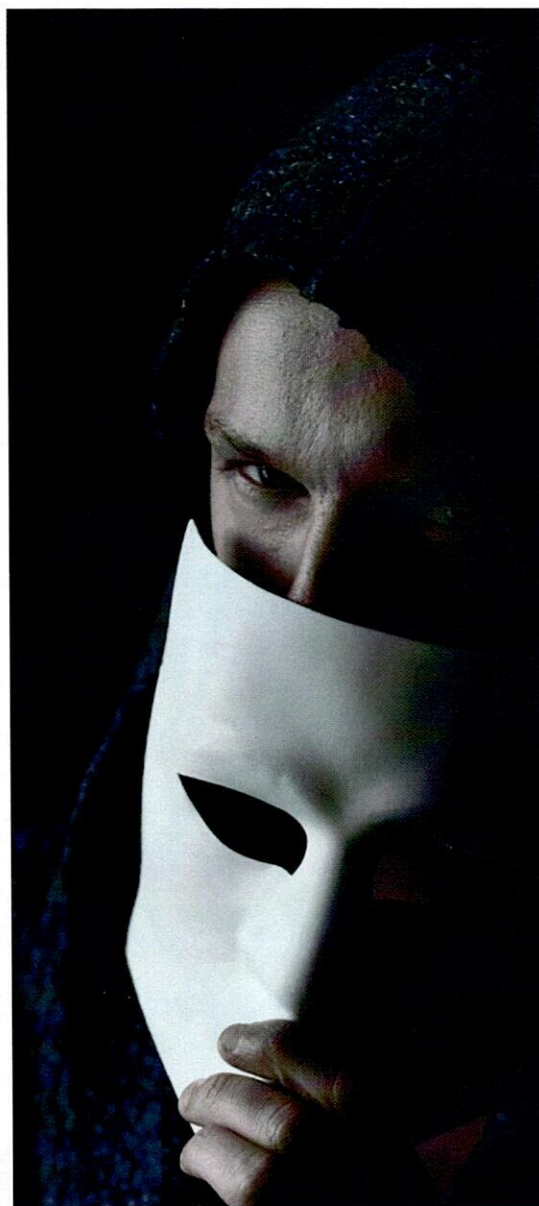
TOTAL POTENTIAL CLAIM

\$80,030

RESOLUTION

The facility has a stand-alone cyber policy that covers social engineering as well as provides crucial response services. Once the facility notified their insurance company, an IT forensic consultant was appointed to assist the facility in repairing the damage to their system as well as to prevent future attacks.

As the facility has expanded cyber crime coverage under their policy, they were reimbursed for the direct financial loss, less the deductible, of the unrecovered fraudulent transfers as well as their forensic and legal costs.





CLAIM SCENARIO

LOST HARDWARE | Public Administration

The following example is meant to illustrate a potential scenario you might encounter. It may not necessarily represent details of a specific claim.



SITUATION

An employee of A county clerk's office lost their laptop. An Excel file on the computer contained citizen records of 2,400 citizens including the citizen names, emails, social security numbers, and bank information.

Once the loss was realized, the clerk's office immediately notified their insurance company who provided a "breach coach" to assess the damage and help the insured comply with regulatory and notification requirements.



POTENTIAL IMPACT

INCIDENT RESPONSE	
Forensic costs to assess and contain damage	\$9,700
Legal fees	\$15,380
Public relations fees to minimize reputational impact	\$11,950
NOTIFICATION COSTS	\$1,250
DATA RECOVERY Costs associated with replacing lost or corrupted data	\$11,675
REGULATORY Settlement fine	\$22,500
Patient liability settlements	\$47,600
TOTAL POTENTIAL CLAIM	\$120,055

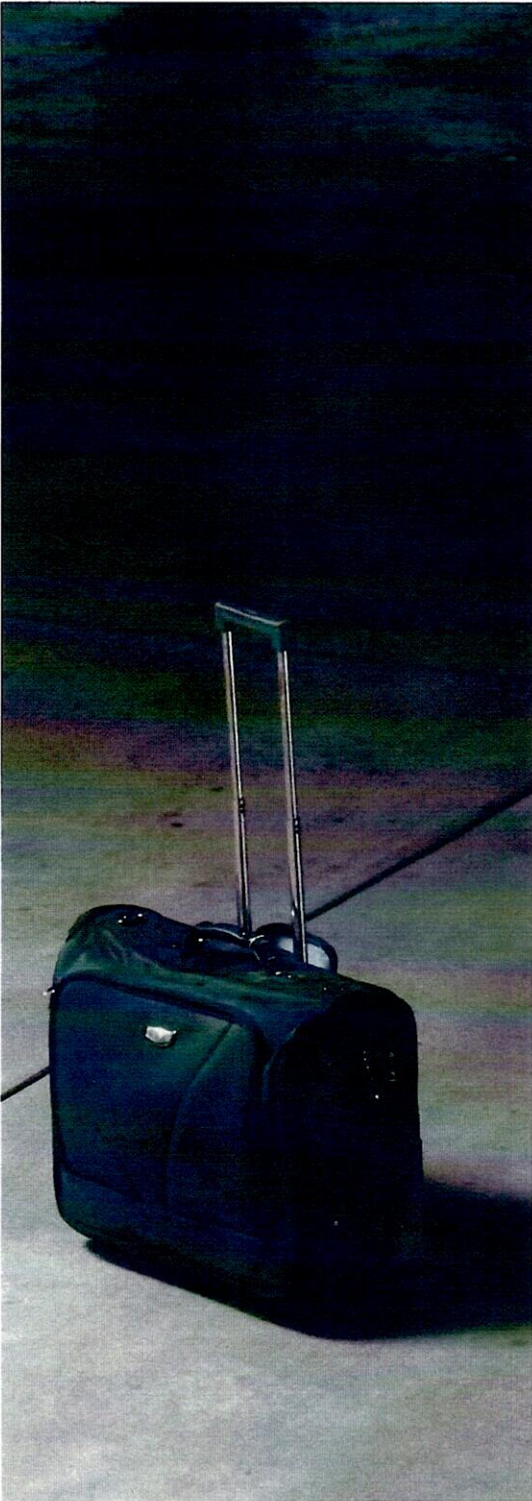


RESOLUTION

The breach coach assigned a forensics team, provided by the insurance company, to determine the potential exposure of the personal records. It was determined that the personal details were, in fact, compromised. The citizens were immediately notified and offered credit monitoring services.

Concurrently, the breach coach engaged a public relations agency to minimize the reputational damage as well as alerted counsel to help settle legal action from municipality.

They were proactive in contacting the Department of Health and Human Service Office for Civil Rights and agreed upon a settlement amount as well as a corrective action plan that included employee cyber and data protection training.



CLAIM SCENARIO

FORMER OR ROGUE EMPLOYEE | Public Administration

The following example is meant to illustrate a potential scenario you might encounter. It may not necessarily represent details of a specific claim.

SITUATION

A city fire department was hacked by a former employee, whose user credentials were not deleted when they were terminated. The employee sold 12,500 citizen records on the dark web including citizen names, emails, social security numbers, and bank information.

The fire department notified their insurance company immediately. The carrier provided forensic expertise, legal services, and media relations help to investigate and control the damage.

In addition, the insurance company enlisted a “breach coach” to guide the fire department in managing their actual and reputational damage.

POTENTIAL IMPACT

INCIDENT RESPONSE

Forensic investigation costs to analyze damage and ensure containment

\$23,690

Identity theft and credit monitoring services

\$31,500

Legal fees

\$24,550

Public relations fees to minimize reputational impact

\$12,500

Call center set up and operation to field inquiries

\$11,000

NOTIFICATION COSTS

\$2,700

DATA RECOVERY

Costs associated with replacing lost or corrupted data

\$19,220

TOTAL POTENTIAL CLAIM

\$125,160

RESOLUTION

The forensic team quickly identified the breach and worked with the fire department’s IT department to initiate repairs. The breach coach guided the fire department to hire a call center to quickly inform affected citizens, field questions, and offer identity protection and credit monitoring services to ensure trust going forward. The insurance company recommended seeking legal counsel to pursue civil action against the former employee.

Concurrently, the fire department, in tandem with the media relations team, responded quickly and transparently to the media. Finally, the insurance company and forensic team recommended an updated cyber response plan that included more rigorous IT policies and procedures as well as several technological updates to improve cyber hygiene. Due to the fast response, the costs and reputational damage to the fire department were minimized.



CYBER INSURANCE GLOSSARY

BUSINESS INTERRUPTION

Cyber business interruption covers the net profit earned before taxes that would have been earned had there been no interruption due to a cyber event.

BI (BUSINESS INTERRUPTION) WAITING PERIOD

A predetermined amount of time that must elapse before any loss or expenses are considered covered by business interruption insurance.

BRICKING

Covers the cost to replace computer and electronic hardware that's rendered inoperable due to failure or purposeful attacks.

COMPUTER FRAUD

Insures against theft of funds or property specifically stolen by using cyber methods to transfer money or property from the victim.

CONTINGENT BUSINESS INTERRUPTION

A contingent business interruption loss occurs when a third-party supplier or service provider experiences an interruption of service due to a cyber event and that event directly impacts the policy holder's ability to produce a product or provide a service.

CYBER CRIME

Any type of illegal activity that occurs using digital means. Examples of cybercrime are extortion/ransomware, phishing, social engineering, and wire transfer fraud.

DATA RECOVERY

Covers the costs of recovering lost data due to a breach.

DATA RESTORATION

The process of copying backup data from secondary storage and restoring it to its original or a new location. Data restoration is done to return data that has been lost, stolen or damaged.

EXTORTION/RANSOMWARE COVERAGE

Coverage for the damage done to a business due to a cyber breach or attack including possible ransom payments to release key systems and data.

FIRST PARTY CLAIM

Where a policy holder files a claim triggered by a cyber breach or other qualifying event directly with their insurance company.

FUNDS TRANSFER FRAUD

Covers the loss stemming from unauthorized instructions from a third party to a bank without the victim's knowledge.

MEDIA (LIABILITY)

Provides coverage against media-related damage such as libel, privacy invasion, copyright infringement, and plagiarism stemming from the policy holder's media activities (e.g website content, printed articles).

NOTIFICATION COSTS

Covers the cost of notifying affected individuals in the event of a data breach. Customer notification is often required by law.

PCI (PAYMENT CARD INDUSTRY)

Coverage for assessments, fines or penalties imposed by banks or credit card companies due to non-compliance with the Payment Card Industry Data Security Standard (PCI DSS).



CYBER INSURANCE GLOSSARY (CONTINUED)

PRIVACY REGULATORY LIABILITY (REGULATORY)

Covers the loss a company sustains as a result of regulatory investigations and claims.

SOCIAL ENGINEERING COVERAGE

Covers unintended payments made to cybercriminals who, through deception, convinced an employee or officer of a company to transfer funds to the criminal.

THIRD PARTY CLAIM/LIABILITY CLAIM

When a third party files a claim or lawsuit against the policy holder alleging that the policy holder caused some damage to the third party due to a cyber event.



ACKNOWLEDGMENT OF REJECTED COVERAGE

This page should only be signed if the applicant decided not to purchase the insurance coverage mentioned below.

I understand and acknowledge that the following insurance policies have been offered to me and that I have decided not to purchase the coverage at this time:

CYBER LIABILITY INSURANCE

The potential financial impact of not having these important coverages has been explained to me and I realize that my rejection of these options may result in the denial of claims in the future.

Signed: _____

Company: City of Fraser

Date: _____

INDEPENDENT CONTRACTOR AGREEMENT

This Independent Contractor Agreement ("Agreement") is made between City of Fraser ("The City") and Assessment Administration Services, L.L.C. ("Contractor"), as follows:

1. Effective Date. This Agreement shall be effective as of May 1, 2021 through April 30, 2024.

2. Term. This Agreement shall remain in effect for a term of 3 years, then adherently revert to month to month basis (the "Term"), unless earlier terminated or extended as provided herein.

3. Retention of Contractor. The City hereby retains Contractor to perform independent contracting services to provide those assessment functions which may be performed by an independent contractor consistent with Michigan law (the "Services"). Contractor accepts such assignment, subject to the terms and conditions set forth in this Agreement. The Services shall include:

Assessing Function

- (a) Preparation, maintenance, and supervision of the Assessment Roll for Real and Personal Property (including any special acts), as well as special assessments, as outlined by State Tax Commission rules and regulations;
- (b) Normal record card maintenance recommended by the State Tax Commission;
- (c) Preparation for and representation of the City at Michigan Tax Tribunal hearings including the preparation of valuation disclosures and testifying if necessary;
- (d) Conduct the March, July, and December Boards of Review along with the processing of all paperwork, reports and forms.
- (e) Preparation of reports and forms as required by the County and State;
- (f) Creation of land value and economic condition factor analysis and maps; review sales study.
- (g) Maintain Compliance with the State Tax Commission's Audit of Minimum Assessing Requirements (A.M.A.R. formerly 14 Point Review);

- (h) Completion of field visits annually including permits for building permits, new construction and demolition;
- (i) Process all split and combinations in the City within the specified contractual time frame.
- (j) Michigan Advanced Assessing Officer (Level III) or higher Assessor to certify the roll.
- (k) Provide office hours and availability of assessing staff and Assessor 2 days per week except for sick, vacation and holidays.
- (l) Provide knowledgeable customer service to the constituents of the City of Fraser.
- (m) Any as needed consultations;
- (n) Attend any necessary work sessions and City Council Meetings.

4. Independent Contractor. Contractor's relationship with the City under this Agreement is that of independent contractor and not that of employee, partner, or joint venturer. Contractor shall be responsible for payment of its own federal, state, and local taxes. Contractor shall not participate in the City's fringe benefit plans or programs.

5. Contractor's Compensation. In consideration of Contractor's activities under Paragraph 3 of this Agreement, the City shall pay Contractor as follows:

- (a) \$116,500 for the first year: May 1, 2021 through April 30, 2022.
Paid in monthly increments of \$9708.33.
- (b) \$118,830 for the 2nd year: May 1, 2022 through April 30, 2023.
Paid in monthly increments of \$9,902.50.
- (c) \$121,206 for the 3rd year: May 1, 2023 through April 30, 2024.
Paid in monthly increments of \$10,100.50.

- (d) Notwithstanding any other provision of this Agreement, if this Agreement is terminated as provided herein prior to the end of the Term, Contractor shall only be entitled to pro-rated payment through the effective date of termination and shall have no right to payment thereafter.

6. Proprietary Information. Contractor acknowledges that through its activities under this Agreement, it may come into possession of confidential or proprietary information belonging to the City. Contractor agrees that it will not directly or indirectly disclose to any other person or entity, or make any use of, any of the City's confidential or proprietary information, whether or not such information was developed or obtained by Contractor, except as authorized by the City in connection with Contractor's activities under this Agreement and in furtherance of the City's best interests. Upon termination of this Agreement, Contractor shall return to the City all such confidential and proprietary information in its possession and control and shall not make or retain any copies or summaries.

7. Termination. This Agreement may be terminated as follows:

- (a) Either party may elect to terminate this Agreement for any reason upon thirty (30) days written notice to the other party.

9. Indemnity and Insurance. The Company shall be liable to the City, and hereby agrees to indemnify and hold the City harmless but only to the extent of its insurance coverage set forth below, against all claims covered by said insurance coverage arising out of the performance of the services rendered hereunder caused by any negligent conduct, intentional conduct, or act of the Company or any of its employees in the performance of this contract that are covered by the policies listed in subparagraphs "a" through "c" below.

The Company will carry the following insurance coverage at all times during this agreement:

- (a) Comprehensive general liability insurance covering the Company with not less than the following limits of liability; bodily injury or death, \$1,000,000 each person and subject to the same limit for each person; \$1,000,000 for two or more persons in any occurrence; property damage, \$1,000,000 each occurrence; \$2,000,000 annual aggregate.
- (b) Worker's Disability Compensation Insurance, securing compensation for the benefit of the employees of the Company, as required by Worker's Disability Compensation Act of State of Michigan.

(c) The Company shall also carry professional liability and errors and omissions insurance with not less than \$2,000,000 limit of liability for each claim and in the aggregate including claim expenses. However, the City understands that it cannot be listed an additional insured under this type of policy. Should the City or its officers, directors, employees, and elected officials ever be held financially liable for any error or omission of the Company and seek indemnification from Company as a result thereof, under no circumstance shall the Company's cumulative liability to the City or its officers, directors, employees and elected official exceed the coverage of the errors and omissions policy referenced herein.

10. Entire Agreement. This Agreement contains the entire understanding of the parties related to the subject matter hereof and supersedes all previous verbal and written agreements, representations, or warranties.

11. Counterparts. This Agreement may be executed in separate counterparts. A copy of this Agreement is effective as an original.

12. Miscellaneous Representations. Each party has consulted or has had the opportunity to consult with its own attorney prior to execution of this Agreement. Each party has read this Agreement in its entirety before signing and understands its terms. Each party signs as its free act. There shall no presumption or construction of this Agreement in favor of any party based on draftsmanship.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date written above.

City of Fraser

ASSESSMENT
ADMINISTRATION
SERVICES, L.L.C.

By: Marc Thompson
Its: City Manager

By: Lisa Griffin
Its: Member

Assessment Administration Services, L.L.C.

June 1, 2021

City of Fraser
Marc Thompson, City Manager
33000 Garfield Road
Fraser, MI 48026

RE: Proposal for Assessing Services

Dear Mr. Thompson :

Assessment Administration Services has been providing cost effective solutions for municipalities throughout southeastern Michigan since 2009. We have an experienced staff that currently provides assessing functions to 21 Michigan municipalities in six counties in Southeastern Michigan. We are excited to offer a proposal for our services to the City of Fraser. Our goal is to reach complete satisfaction from our clients. We strongly recommend that you contact them to get their first-hand experiences with Assessment Administration Services.

Assessment Administration Services staff has an overwhelming history of experience. I myself have been in the assessing field since 1985. We currently have a staff of 20 highly certified professionals along with support staff. We have 6 Michigan Master Assessing Officers on staff one of which is Debra Kopp who is the City Assessor in Fraser. In all, there is well over 200 years of combined Assessing experience!

Assessment Administration Services also carries insurance for workmen's compensation, commercial general liability and automobile insurance. Attached is a copy for your review.

Over the years, we have increased the staff and time we are at Fraser based on the needs of the department. Because of this, we have increased our contract price. We have implemented a field inspection program and have additional consultation staff with Michigan Tax Tribunals.

Attached is a proposal for Assessing Services, a copy of our insurance certificate and a complete list of our clients both new and old. Please do not hesitate to contact me if you have any questions regarding the information supplied or if you would like to meet in person.

We appreciate being able to offer you a proposal for our services and look forward to hearing from you soon.

Sincerely,



Lisa Griffin, MAAO, PPE
President
Assessment Administration Services, L.L.C.

Assessment Administration Services, L.L.C.

June 1, 2021

City of Fraser
Marc Thompson, City Manager
33000 Garfield Road
Fraser, MI 48026

RE: Proposal for Assessing Services

Dear Mr. Thompson:

It has been a pleasure for Assessment Administration Services to serve as the Assessor of Record and provide Assessing personnel for the City of Fraser since 2015. We have prepared an updated quote for your review. We are proposing a three year contract which begins May 1, 2021 and ends April 30, 2024 for the contractual sum of \$116,500 for the first year with a 2% increase each year for the remainder of the 3 year contract. Assessment Administration Services, L.L.C. agrees to provide the following:

- Provide a MAAO (Level III) or higher Assessor to certify the roll.
- Supervise and maintain the assessment roll as outlined by State Tax Commission rules and regulations.
- Develop land value and economic condition factor analysis.
- Review all sales and property transfers.
- Prepare, defend and counsel regarding all Michigan Tax Tribunal cases and testify when necessary.
- Conduct March, July and December Boards of Review.
- Supervise and review July and December Board of Review changes.
- Normal record card maintenance as recommended by the State Tax Commission.
- Provide office hours and availability of Assessing Staff and Assessor 2 days per week except for vacations and holidays.
- Attend necessary work sessions and City Council Meetings.
- AMAR Compliance (Audit of Minimum Assessing Requirements).
- Provide knowledgeable customer service to the constituents of Fraser.
- All preformed duties required of the Assessor of record.

In addition, Assessment Administration Services, has 7 Certified Michigan Master Assessing Officer's on staff (including one at the City of Fraser) that will provide assistance with tax tribunals and other consultation as needed. If you have any questions regarding this proposal or would like to meet in person, please do not hesitate to contact me.

Sincerely,



Lisa Griffin, MAAO, PPE
President
Assessment Administration Services, L.L.C.

**List of Client Community References,
Contact Information and Services Provided
For Assessment Administration Services, L.L.C.**

LAPEER COUNTY

June 2018-Present

**Contact: Greg Hill, Equalization Director
(810) 667-0228
County Equalization Studies**

LENAWEE COUNTY

Franklin Township:

2017-2020

**Contact: Bob Platt, Supervisor
(517) 431-2644
Assessor of Record
Assessing Staff
Reappraisal
14 Point Review Compliance**

Rollin Township:

May 2018-Present

**Contact: Irma Davis, Supervisor
(517) 547-7786
Assessor of Record
Assessing Staff**

Woodstock Township:

2017-Present

**Contact: Matt SeGraves, Supervisor
(517) 260-6668
Assessor of Record
Assessing Staff
Reappraisal
14 Point Review Compliance**

HILLSDALE COUNTY

Somerset Township:

May 2018-Present

**Contact: Tim Shaw, Supervisor
(517) 688-9223
Assessor of Record
Assessing Staff**

Township of Richmond:**2012-Present**

Contact: Chris DeVos, Supervisor
(586) 405-5192

Services: Assessor of Record
Assessing Staff

Township of Bruce:**2009-Present**

Contact: Mike Fillbrook, Supervisor
(586) 752-4585

Services: Assessor of Record
Reappraisal
Administered 14 Point Review Compliance

Charter Township of Shelby:**2009-2012**

Contact: Richard Stathakis, Supervisor
(586) 731-5100

Services: Assessor of Record
Field Inspection
Consultation
Administered 14 Point Review Compliance

City of St. Clair Shores:**2011**

Contact: Mike Smith, Human Resource Director
(586) 447-3311

Services: Apex Sketch Project

OAKLAND COUNTY**City of Auburn Hills:****2020-Present**

Contact: Tom Tanghe, City Manager
(248) 370-9440

Services: Assessor of Record
Assessing Staff

ST. CLAIR COUNTY**Charter Township of China:****2014-Present**

Contact: John Golan, Supervisor
(810) 765-1145 x 205

Services: Assessor of Record (MMAO)
Assessing Staff

City of Westland:

2012

Contact: James Elrod, Former Assessor
(734) 812-7157
Services: Assessing Staff

WASHTENAW COUNTY

Township of Northfield:

2014-Present

Contact: Township Manager
(734) 449-2880
Services: Assessor of Record
Assessing Staff
Field Inspection



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

6/1/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER CIA Insurance & Risk Management 45600 Village Blvd. Shelby Twp MI 48315		CONTACT NAME: PHONE (A/C, No, Ext): 586-799-6000 E-MAIL: certificates@ciainsurance.com ADDRESS: FAX (A/C, No):	
		INSURER(S) AFFORDING COVERAGE	
		INSURER A: Hartford Insurance Companies	
		INSURER B: Arch Insurance Company	
		INSURER C:	
		INSURER D:	
		INSURER E:	
		INSURER F:	

COVERAGES **CERTIFICATE NUMBER:** 2054689925 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☐ OCCUR ☒ 1,000 GEN'L AGGREGATE LIMIT APPLIES PER: ☒ POLICY ☐ PRO-JECT ☐ LOC OTHER:			35SBAIK6496	3/7/2021	3/7/2022	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 4,000,000 PRODUCTS - COMP/OP AGG \$ 4,000,000 \$
A	AUTOMOBILE LIABILITY ☐ ANY AUTO ☐ OWNED AUTOS ONLY ☒ HIRED AUTOS ONLY ☐ SCHEDULED AUTOS ☒ NON-OWNED AUTOS ONLY			35SBAIK6496	3/7/2021	3/7/2022	COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	☒ UMBRELLA LIAB ☒ EXCESS LIAB ☐ OCCUR ☐ CLAIMS-MADE DED ☒ RETENTION \$ 10,000			35SBAIK6496	3/7/2021	3/7/2022	EACH OCCURRENCE \$ 4,000,000 AGGREGATE \$ 4,000,000 \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below Y/N ☐ N/A			35WECAB2U6S	3/7/2021	3/7/2022	☒ PER STATUTE ☐ OTH-ER E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000
B A	Professional Liability Employee Dishonesty			AMP0001177-02 35SBAIK6496	3/7/2021 3/7/2021	3/7/2022 3/7/2022	2000000 1000000 \$1,000 Deductible

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
This certificate of insurance neither affirmatively nor negatively amends extends or alters the coverage afforded by the above captioned policies.

CERTIFICATE HOLDER City of Fraser 33000 Garfield Road Fraser MI 48026	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
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Assessment Administration Services, L.L.C.

July 12, 2018

City of Fraser
Wayne Oneal, City Manager
33000 Garfield Road
Fraser, MI 48026

RE: Proposal for Assessing Services

Dear Mr. Oneal:

It has been a pleasure for Assessment Administration Services to serve as the Assessor of Record and provide Assessing personnel for the City of Fraser since 2015. We have prepared an updated quote for your review. We are proposing a three year contract which begins May 1, 2018 and ends April 30, 2021 and a contractual sum of \$101,875 for the first year with a 2% increase each year for the remainder of the 3 year contract. The contract duration would be August 1, 2018 through July 31, 2021. Assessment Administration Services, L.L.C. agrees to provide the following:

- Provide a MAAO (Level III) or higher Assessor to certify the roll.
- Supervise and maintain the assessment roll as outlined by State Tax Commission rules and regulations.
- Develop land value and economic condition factor analysis.
- Review all sales and property transfers.
- Prepare, defend and counsel regarding all Michigan Tax Tribunal cases and testify when necessary.
- Conduct March, July and December Boards of Review.
- Supervise and review July and December Board of Review changes.
- Normal record card maintenance as recommended by the State Tax Commission.
- Provide office hours and availability of Assessing Staff and Assessor 2 days per week except for vacations and holidays.
- Attend necessary work sessions and City Council Meetings.
- AMAR Compliance (Audit of Minimum Assessing Requirements).
- Provide knowledgeable customer service to the constituents of Fraser.
- All preformed duties required of the Assessor of record.

In addition, Assessment Administration Services, has 4 Certified Michigan Master Assessing Officer's on staff that will provide assistance with tax tribunals and other consultation as needed. If you have any questions regarding this proposal or would like to meet in person, please do not hesitate to contact me.

Sincerely,



Lisa Griffin, MAAO, PPE
President
Assessment Administration Services, L.L.C.

61060 Winterberry Drive • Washington Township, MI 48094 • Phone: 586-615-6614 • assessmentllc@yahoo.com

Installment Schedule
Michigan Municipal League Workers' Compensation Fund

Consumer City Of Fraser**Plan 4 Pay Plan****Contract** 5000090-21**Provider** Meadowbrook Insurance Group**Eff Date** 07/01/2021 00:00**Program** Michigan Municipal League Workers' Compensation Fund**Exp Date** 07/01/2022 00:00**Coverage** Workers Compensation

	Inst Num	Invoice Num	Tran Date	Due Date	Installment Amount	Total Due
Renewal	0	3042206	5/2021 00:00:00	1/2021 00:00:00		\$107,969.00
Down Payment	1	3043206	1/2021 00:00:00	5/2021 00:00:00	\$26,992.00	
Installment	2	3044206	1/2021 00:00:00	5/2021 00:00:00	\$26,992.00	
Installment	3	3045206	1/2022 00:00:00	5/2021 00:00:00	\$26,992.00	
Installment	4	3046206	1/2022 00:00:00	5/2022 00:00:00	\$26,993.00	
					\$107,969.00	\$107,969.00



michigan municipal league

Workers' Compensation Fund

1675 Green Road
Phone: (800) 653-2483

Ann Arbor, MI 48105-2530
Fax: (734) 741-1774

INVOICE

Fraser, City Of
33000 Garfield Rd.
P.O. Box 10
Fraser, MI 48026

Amount Due:	\$26,992.00
Policy #:	5000090-21
Invoice #:	3043206
Installment #:	1
Invoice Date:	05/25/2021
Due Date:	06/15/2021

Remit to: MML Workers' Comp Fund
P.O. Box 972081
Ypsilanti, MI 48197-0835

Please remit top portion with payment

For any questions regarding payment information, please contact Insurance Accounting at (734) 669-6373.
For any questions regarding invoice or policy information, contact Underwriting at (248) 204-8530.

MICHIGAN MUNICIPAL LEAGUE WORKERS' COMPENSATION FUND

Invoice No: 3043206

Invoice Date: 05/25/2021

Due Date: 06/15/2021

POLICY#	DESCRIPTION	AMOUNT
5000090-21	Policy Premium 7/1/2021 to 7/1/2022	\$26,992.00
	TOTAL DUE	\$26,992.00

**** YOUR NEXT INSTALLMENT WILL BE DUE ON: 9/15/2021**



michigan municipal league

Workers' Compensation Fund

MWCOMP

May 25, 2021

Amy Cell
City Of Fraser
33000 Garfield Rd.
P.O. Box 10
Fraser, MI 48026

Dear Ms. Cell:

Enclosed are the following documents for your Workers' Compensation coverage renewal for the period July 1, 2021 to June 30, 2022.

- Policy Declaration
- Certificate of Membership
- Invoice (payable by June 15th)

This year, the Fund has been authorized to distribute \$12 million of surplus for the Fund years June 30, 2011-2020. Your proportionate share of the distribution is shown below:

Dividend Credit \$68,799.00 Applied to this year's renewal premium

Please review the enclosed documents and contact me at 248-204-8530 or MWolfgang@Meadowbrook.com if you have any questions.

Sincerely,

Max Wolfgang

Max Wolfgang
Fund Underwriter

Enclosures
5000090-21

Service Provider: Meadowbrook® Inc.

Loss Control & Member Services: P.O. Box 5174, Southfield, MI 48037 PH: 248.358.1100 • 800.482.2726
Southfield Claims Service: P.O. Box 5174, Southfield, MI 48086-5174 PH: 248.358.1100 • 800.482.2726 • FX: 248.358.3251
Grand Rapids Claims: 3196 Kraft Ave., S.E., Suite 206, Grand Rapids, MI 49512-2065 PH: 616.942.0311 • 800.752.7477 • FX: 616.649.1796

www.mml.org

Michigan Municipal League Workers' Compensation Fund

05/25/2021

Declaration Page

5000090-21

City Of Fraser
Attn: Amy Cell
33000 Garfield Rd.
P.O. Box 10
Fraser, MI 48026

Coverage Period 7/1/2021 to 6/30/2022
RENEWAL

Class Code	Class Description	Estimated Annual Payroll	Rate per \$100 of Payroll	Estimated Annual Premium
5509-00	Street Operations	225,610	6.80	15,341
7380-00	Drivers & Ambulance Drivers/Attend.	293,070	3.35	9,818
7382-00	Transit Authority/Dial-A-Ride Drivers	26,508	3.98	1,055
7520-00	Water Operations	313,028	3.46	10,831
7580-00	Sewer Operations	252,593	1.60	4,041
7704-02	Volunteer/On-Call Firefighters	8,730	7.25	633
7704-03	Public Safety	3,320,986	2.91	96,641
8395-00	Garage Operations	70,822	3.11	2,203
8810-01	Clerical-Office	1,293,636	0.41	5,304
8810-02	Elected Officials	38,546	0.21	81
8820-00	Attorneys/Judges	28,121	0.29	82
9015-00	Building Operations	64,573	4.20	2,712
9102-00	Parks & Recreation	143,022	2.91	4,162
9103-00	Crossing Guards	7,175	3.56	255
9410-00	Municipal Employee	237,420	0.71	1,686
	Totals:	\$6,323,840		\$154,845

Coverage Amount

Employers Liability: \$2,000,000
Workers' Compensation: STATUTORY

Premium To Be Billed on Installments: \$107,969

Total Standard Premium	\$154,845
Experience Modifier: 1.22	\$34,066
Modified Premium	= \$188,911
Size of Premium Credit	(\$12,293)
Expense Constant	\$150
Total Estimated Premium	= \$176,768
(Dividend Credit)	(\$68,799)
NET ESTIMATED ANNUAL PREMIUM	= \$107,969



michigan municipal league
Workers' Compensation Fund

Certificate of Membership Proof of Insurance

The Michigan Municipal League Workers' Compensation Fund, approved by the
Director of the Workers' Compensation Agency as a group self-insurer,
certifies that

City Of Fraser

Policy Number: 5000090-21

is a member in good standing of the Fund, for the year expiring

June 30, 2022

and as such is approved by the Agency as a self-insured.

Employer's Liability coverage of
\$2,000,000 is included.

Michael J Forster

July 1, 2021

Effective Date

Note: This certificate is proof that your entity has complied with the Workers' Disability Compensation Act by becoming a Member of the Michigan Municipal League Workers' Compensation Fund. Copies of this certificate may be provided to third parties as evidence that the required workers' compensation coverage is in place.