



COUNTY ADMINISTRATOR  
220 NORTH MAIN STREET, P.O. BOX 8645  
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TO: Katie Scott  
Chair, Ways & Means Committee

THROUGH: Greg Dill  
County Administrator

FROM: Judy Kramer  
Risk Manager

DATE: September 4, 2019

SUBJECT: Insurance Coverages For October 1, 2019 to October 1, 2020

**BOARD ACTION REQUESTED:**

It is requested that the Washtenaw County Board of Commissioners accept a quote for insurance coverages for the period of October 1, 2019 to October 1, 2020 for (1) property and boiler and machinery, (2), general liability, law enforcement liability, public officials liability, and auto liability, (3) crime, (4) fiduciary liability, (5) lawyers professional, (6) judicial liability, (7) medical professional, (8) excess crime and (9) Liquor Liability.

**BACKGROUND:**

On October 1, 2019, the existing insurance coverages for the County of Washtenaw will expire. The insurance policies that will expire are the policies listed above. New insurance policies for these coverages need to be placed.

The County, through the Office of Risk Management, obtained renewal quotes and negotiated renewal coverages and premiums for these policies. The quotes were reviewed by Risk Management, the Administrator, Corporation Counsel and the Finance Department.

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

County Insurance Agency:

Arthur J. Gallagher Insurance Agency

Type of Coverage

1.	<b>Chubb Insurance Company</b>	\$226,922
	Property coverage at Total Insurable Values of \$404,822,603 with a SIR of \$250,000, with a \$200 Million Loss Limit	
2.	<b>Genesis Insurance Company</b>	\$726,607
	General Liability, Law Enforcement Liability, Auto Liability, \$5,000,000 each occurrence Limit, with a \$10,000,000 aggregate, and Public Officials \$5,000,000 each claim, with a \$10,000,000 aggregate, with a \$750,000 SIR.	
3.	<b>Great American Insurance Company</b>	\$12,126
	Crime – Total Limit of \$5,000,000 with a \$25,000 deductible	
4.	<b>Chubb Insurance Company</b>	\$19,029
	Fiduciary Liability – Limit \$3,000,000 each loss	
5.	<b>Underwriters at Lloyd’s, London</b>	\$2,492.80
	Lawyers Professional Liability – Limit \$1,000,000 with \$1,250 deductible	
6.	<b>Underwriters at Lloyd’s London</b>	\$36,274.75
	Judges Insurance \$1,000,000 limit covers all Judges under one policy \$2,500 deductible	
7.	<b>Hudson Insurance Company</b>	\$89,534
	Medical professional liability with \$1,000,000 per Claim and \$3,000,000 aggregate and \$250,000 SIR	
8.	<b>Travelers Casualty &amp; Surety Co of America</b>	\$7,890
	Excess Crime	
9.	<b>Illinois Union Insurance Company</b>	\$1,647.68
	Liquor Liability, \$1,000,000/\$2,000,000	
	<b>TOTAL</b>	<b>\$1,122,523.23</b>

**DISCUSSION:**

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

The insurance policies will be in effect from October 1, 2019 through October 1, 2020. Prior to the expiration of the above policies, new quotes will be solicited depending on the market and based on the needs of the County at that time.

As Underwriter at Lloyd's, London is undergoing contract negotiations; the current judicial liability coverage policy has been extended to November 1, 2019 for an additional premium of \$3,083.20. The anticipated renewal premium for the period of November 1, 2019 to October 1, 2020 is set at \$33,191.55.

**IMPACT ON HUMAN RESOURCES:**

There will be no impact on Human Resources.

**IMPACT ON BUDGET:**

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

**IMPACT ON OTHER COUNTY DEPARTMENTS OR OUTSIDE AGENCIES:**

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

**CONFORMITY TO COUNTY POLICIES:**

This request conforms to County policy.

A RESOLUTION ACCEPTING OFFERS FOR INSURANCE COVERAGE FOR THE  
COUNTY FOR THE PERIOD OCTOBER 1, 2019 – OCTOBER 1, 2020

WASHTENAW COUNTY BOARD OF COMMISSIONERS

SEPTEMBER 18, 2019

WHEREAS, various insurance coverages for the County expire on October 1, 2019; and

WHEREAS, the Office of Risk Management recommended obtaining quotes from insurance carriers and negotiation with the current agent and the County Administrator concurred with this recommendation; and

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

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

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

NOW THEREFORE BE IT RESOLVED that the Washtenaw County Board of Commissioners hereby approves the following award to place the insurance contracts for Washtenaw County for the period October 1, 2019 through October 1, 2020, with the following companies:

County Insurance Agency:

Arthur J. Gallagher Insurance Agency

Type of Coverage

- |    |   |           |
|----|---|-----------|
| 1. | <b>Chubb Insurance Company</b>  | \$226,922 |
|    | Property coverage at Total Insurable Values of \$404,822,603 with a SIR of \$250,000, with a \$200 Million Loss Limit   |           |
| 2. | <b>Genesis Insurance Company</b>  | \$726,607 |
|    | General Liability, Law Enforcement Liability, Auto Liability, \$5,000,000 each occurrence Limit, with a \$10,000,000 aggregate, and Public Officials \$5,000,000 each claim, with a \$10,000,000 aggregate, with a \$750,000 SIR. |           |
| 3. | <b>Great American Insurance Company</b>   | \$12,126  |
|    | Crime – Total Limit of \$5,000,000 with a \$25,000 deductible   |           |

4.	<b>Chubb Insurance Company</b> Fiduciary Liability – Limit \$3,000,000 each loss	\$19,029
5.	<b>Underwriters at Lloyd’s, London</b> Lawyers Professional Liability – Limit \$1,000,000 with \$1,250 deductible	\$2,492.80
6.	<b>Underwriters at Lloyd’s London</b> Judges Insurance \$1,000,000 limit covers all Judges under one policy \$2,500 deductible	\$36,274.75
7.	<b>Hudson Insurance Company</b> Medical professional liability with \$1,000,000 per Claim and \$3,000,000 aggregate and \$250,000 SIR	\$89,534
8.	<b>Travelers Casualty &amp; Surety Co of America</b> Excess Crime	\$7,890
9.	<b>Illinois Union Insurance Company</b> Liquor Liability, \$1,000,000/\$2,000,000	\$1,647.68
	<b>TOTAL</b>	<b>\$1,122,523.23</b>