

Memorandum

Date: November 14, 2008
To: Members of the Main Street Monroe/Downtown Development Authority
From: Andrea Jones, Main Street Manager
Re: Office Insurance Policy

As a result of the DDA being sued and possibly liable for the \$50,000.00 deductible associated with the office insurance policy, the Organization Committee has reviewed alternate options for office insurance. After speaking with a representative of the Michigan Municipal League Liability and Property Pool (under which the office is currently insured as an addition to the City of Monroe's policy) the DDA has the ability to alter the office insurance policy due to the low payroll amount currently carried by the office. Attached please find a letter from Brian Steckroth explaining the option for the DDA to reduce the deductible to \$0 with the additional annual premium of \$1,000.00 (currently estimated, the actual amount will not be known until May but is not predicted to vary greatly from \$1,000.00). Given that the current premium is so low, the City of Monroe has been covering the cost and the MSM/DDA has not been charged. The City of Monroe would continue to pay the original premium, but the MSM/DDA would be responsible to pick up the additional \$1,000.00 cost. **The Organization Committee recommends that the MSM/DDA approve the alteration to the office insurance policy that would result in a \$0 deductible with annual cost of the change being paid by the MSM/DDA.**

Thank you.



michigan municipal league

liability and property pool

September 30, 2008

Mr. Ed Sell
City of Monroe
120 East First Street
Monroe, MI 48161

RE: DDA's liability deductible

Ed:

Currently the City of Monroe has a \$5,000,000 per occurrence limit of liability. A \$50,000 per occurrence deductible also applies to the following lines of liability.

- ✓ General Liability
- ✓ Public Officials Liability
- ✓ Law Enforcement Liability

The DDA has expressed a concern regarding the \$50,000 per occurrence deductible. There has been a request to lower the liability deductible for only the DDA. This is possible but can only be amended at the City's renewal of May 1, 2009. Based upon the DDA's current payroll, the \$50,000 deductible could be lowered to a \$0 deductible for an additional annual premium would be \$1,000. The \$0 per occurrence deductible would apply to General Liability and Public Officials Liability for the DDA.

We can readdress this issue when we work on the City's renewal in the spring of 2009 and I will be able to get you a firm price for reducing the DDA's deductible at that time.

Should you have any questions, please contact me.

Sincerely,

Brian Steckroth
Account Executive

cc. Andrea Jones, Main Street Monroe/DDA

Service Provider: Meadowbrook® Insurance Group

Loss Control & Member Services: P.O. Box 2054, Southfield, MI 48037; (248) 204-6123; (800) 482-0626; Fax (248) 358-1614

Southfield Claims Service: P.O. Box 5174, Southfield, MI 48086-5174; (248) 204-6123; (800) 482-0626; Fax (248) 358-3251

Grand Rapids Claims: 3501 Lake Eastbrook S.E., Suite 150, Grand Rapids, MI 49546-5939; (616) 942-0311; (800) 752-7477; Fax (616) 942-0390

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