

THE PAR-PLAN NEWS

ISSUE 101

JUNE 2010

25

25 YEARS OF EXCELLENCE

1985  2010

MICHIGAN TOWNSHIP
PARTICIPATING PLAN

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The 25th annual business meeting of the Par-Plan is being held at Stafford's Perry Hotel in Petoskey, Michigan on July 15, 2010. Registration will begin at 9:00 a.m.

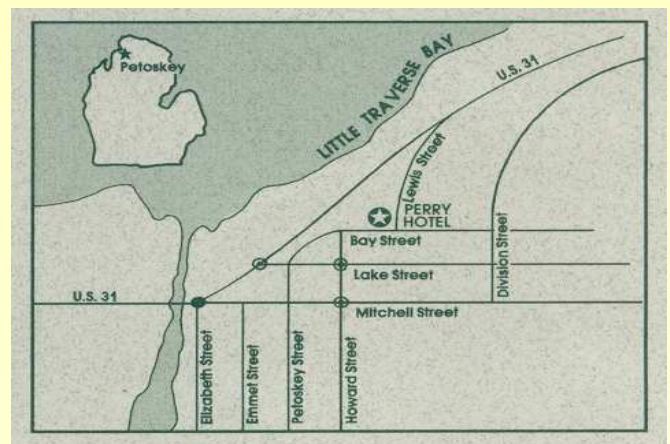
and the meeting will begin at 9:30 a.m. in the Reycraft room on the Lobby level.

The annual business meeting of the Michigan Township Participating Plan is an open meeting for members who are interested in the detailed activities of the program and it's standing committees that has transpired over the past twelve months. Additionally, the Plan's service providers, along with it's reinsurers, will present their annual reports outlining their activity on behalf of the program.



Par-Plan Members are encouraged to attend.

Downtown Petoskey area
Map / Perry Hotel
Location



Par-Plan News Editorial Staff:

Pat Mead - Benzonia Township
Benzie County

Jon Sherwood - Beaverton Township
Gladwin County

Terry Wright - Grayling Chtr Township
Crawford County



The Par-Plan News is published by the Michigan Township Participating Plan's Program Administrator:

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MTPP Board Members and Administrators Hold Reinsurance Meeting with Montpelier RE

By Program Administrator, Rick Donaldson

At the invitation of Montpelier RE, the MTPP's primary re-insurance company since 2005, the MTPP and Montpelier RE held a joint reinsurance and program update meeting in May 2010. In attendance were MTPP Chairman Marve Bestemen of Kinross Charter Township and MTPP board member Terry Wright of Grayling Township, as well as MTPP administrator Rick Donaldson from Kenrick Corporation, Shephanie Fick and Stu Grote from Guy Carpenter, Jim Youngblood, Darren Lossia and Sharon Linenfelser, all from Midwest Claims Service, and approximately 12 defense attorneys who handle litigation throughout Michigan on behalf of the MTPP and it's member entities.

Montpelier RE has supported the MTPP with several multi-year reinsurance contracts and July 1, 2010 marks the 5th annual anniversary of a multi-year property/casualty reinsurance contract that the MTPP placed with Montpelier.

Prior to each anniversary date an annual update is prepared by Kenrick Corporation and Guy Carpenter that provides Montpelier with updated information on the plan's membership make up, including the plan's current loss experience and a host of

statistics and underwriting details on the property and casualty exposures and limits for all the MTPP members as a group. Reinsurance rates are also reviewed and negotiated at this time and the MTPP is pleased that rates are very favorable for the 2010/2011 contract period.

The staff from Midwest Claims Service, along with the MTPP's defense attorneys, updated Montpelier RE on the current litigation issues facing townships and other public entities in Michigan and offered their insights as to the trends they see in the areas of:

Zoning, Employment, Law Enforcement, Use of Tasers and Police pursuits, Religious land use claims under RLUIPA, Michigan Governmental Immunity Statute, and how the new Medicare, Medicaid and SCHIP Extension Act (MMSEA) effects the MTPP.

This meeting proved to be very beneficial for all parties, including MTPP members, and helped to further solidify the relationship the MTPP has enjoyed with Montpelier RE.

**Proudly serving
Michigan communities
since 1985**

Michigan Township Participating Plan 2010 Par-Plan Board Nomination Results

On April 2, 2010 election nomination forms were mailed to all Par-Plan members in the Zones 3,6,9 to receive nominations for the regular election of the board of directors serving a three year term. Additionally, nomination forms were also mailed to members in Zone 7 for a special election of a one year term. The member representative elected to Zone 7 will be required to run again in the regular election in the 2011 year.

On May 7, 2010 the Par-Plan Election committee met to confirm nomination forms, member resolutions and candidate disclosures statements. The following candidates were confirmed and placed on the election ballots that were mailed out May 28, 2010.

Zone 3: Incumbent Pat Mead, Clerk-Benzonia Township, Benzie County.

Zone 6: Incumbent Jon Sherwood, Trustee-Beaverton Township, Gladwin County
Daniel J. Cline, Supervisor-Ingersoll Township, Midland County
Kevin Kreger, Supervisor-Richland Township, Saginaw County
Sharon Stalsberg, Supervisor-Pinconning Township, Bay County

Zone 9: Incumbent William Bamber, Supervisor-Oceola Township, Livingston County

Zone 7: William H. Walters IV, Council member-City of Brown City, Sanilac County

The remaining election time table is as follows:

June 20th – Election ballots must be postmarked to receive vote consideration

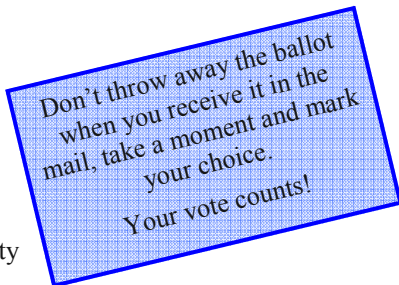
June 25th – Election ballots will be counted and new directors confirmed

July 1st – Directors take office

July 15th – Par-Plan Annual Business Meeting

New directors of the Par-Plan program are selected based on the highest number of votes. Elected positions require directors to attend at least four (4) board meetings per year in addition to the Par-Plan's appointed committee meetings.

The Michigan Township Participating Plan is a tailored property and casualty risk management program developed to meet the needs of public entities. The Par-Plan is the only risk management program controlled by public officials that understand the needs of local governments and the confined guidelines that governments have to work within.



News Notes: Houghton Michigan. Congratulations to the Copper Country Humane Society for being recognized and voted as the number one humane society nationwide. The CCHS received a grand prize of \$11,000. This is the first Shelter + Challenge contest of 2010 sponsored by Petfinder.com. More than 5.2 million votes were cast in the contest, with the CCHS receiving just more than 3 percent of them, totaling more than 156,000 votes, or more than 1,700 per day.

Paul Lehto, Zone 1 MTPP Director from Calumet Township of Houghton County has always spoken highly of the Houghton county and copper country combined community efforts. Good things happen when people work together.

MTPP BOARD OF DIRECTORS

Zone 1

Paul Lehto
Calumet Township
(906) 337-2410

Zone 2

Marvin Besteman, Jr., Chairman
Kinross Charter Township
(906) 495-5381

Zone 3

Pat Mead, Secretary
Benzonia Township
(231) 882-4411

Zone 4

Terry Wright
Grayling Charter Township
(989) 348-4361

Zone 5

Don Hilton, Sr.
Gaines Charter Township
(616) 698-6640

Zone 6

Jon Sherwood
Beaverton Township
(989) 465-9176

Zone 7

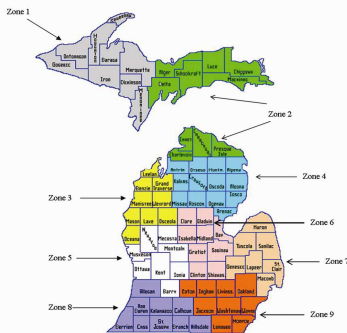
Open

Zone 8

Ronald Reid
Kalamazoo Charter Township
(269) 330-0321

Zone 9

William Bamber, Vice Chairman
Oceola Township
(517) 546-3259



Risk Alert Reminder

It won't be long before we all here the "oohs and aahs" of the community crowds as they watch the magnificent light shows in the night sky. Soon we will be experiencing celebrations and special events of great times throughout our state.

Planners and communities must realize that successful events are more than providing a fun atmosphere, it means ensuring a safe one also.

MTPP RISK CONTROL SPECIAL EVENT / FIREWORKS GUIDELINES

The Risk Control Department of the Michigan Township Participating Plan defines "special events" as activities that are not directly related to the day-to-day operations of governmental entities, but may occur on premises owned or controlled by the entity. However, with today's litigious society, the "risks" associated with these activities must now be carefully examined for potential liability, both against the event sponsor and or the governmental entity involved.

Special events are rated in four categories. The below definitions are not all-inclusive and serve as a guideline.

Low Hazard. No physical activity by participants and no severe exposures to spectators, such as: outdoor meetings, small theatrical performances, auctions, and social gatherings having no alcoholic beverages.

Medium Hazard. Limited physical activity by participants and no severe exposure to spectators, such as: dances, flea markets, picnics, parades with no floats, and "family type concerts".

High Hazard. Considerable physical activity by participants and/or moderate to severe exposure to spectators, such as: team sporting events (non-professional), circuses and carnivals with rides, stationary amusement structures (i.e. dunk tanks), inflatable play structures, parades with floats, marathons or similar events.

Special Hazard. Fireworks displays, all functions where alcoholic beverages are served, rock concerts, professional or collegiate sporting events, and events with crowd size of over 5,000 persons.

The Risk Control Department will review a special event application for your entity to assist you and your entity in identifying possible liability exposures in sponsored events such as these.

Items that an entity or sponsor should maintain on file are the following:

Certificates of Insurance for any services or products being provided by outside vendors (i.e. moonwalks, performers, pony rides, children's games, carnival vendors, dunk tanks, fireworks, etc. This is not an all-inclusive list). **Limits of liability** required should not be less than \$1,000,000.00 per occurrence and/or aggregate combined single limit for personal injury, bodily injury and property damage. Additionally, the entity and the entity Committee (if applicable) should be named as **additional insured's** on the vendor's policy.

Alcohol. If an event is allowing alcohol to be sold, the vendor/entity selling the alcohol will need to secure the proper special event liquor license with the State and provide proof of liability coverage. If a group other than the entity is sponsoring the alcohol, the entity will need to be named as an additional insured on the policy (unless being held on private property). Policy limit should be a minimum of \$1,000,000.00. A site plan should be developed for a beer tent to indicate a location for entrance and exit and location for identification and age checks.

Fireworks. An application along with a site plan should be reviewed by the entity issuing the permit. This plan should include information regarding the shell size(s) that will be used in the display, the distance between the spectators and detonation area. Again the entity should certificates of insurance from the pyrotechnic company responsible for the display.

If the entity is just issuing a permit to another entity or private individual-by law it is still their responsibility to receive a site plan for review by their Fire Chief.

Parade / Float entries. The entity may want to review the current policy of sponsoring the parade and encourage an outside organization to sponsor the parade and the entity's only involvement would be to grant permission to hold the parades.

In the event, the entity wishes to pursue sponsorship, participants wishing to be part of the parade and float entries should be required to complete and sign a registration form containing a hold harmless clause indemnifying the entity and from any and all claims.

All drivers must hold a valid driver's license, if driving a motor vehicle or float in the parade. Additionally, proof of insurance for private vehicles (as required by law) is required from participants. This may be accomplished by requesting a copy of the participant's declaration page showing these (3) areas of concern:

- Current dates of coverage
- Limits of Liability
- Driver's personal vehicle listed on the policy

Emergency Vehicles. Non-emergency personnel (even family members) should not be allowed to ride on or in emergency vehicles under any circumstance. Should any mishaps occur the entity and department could be held liable. One of the exceptions to the governmental immunity protection afforded to municipal entities is from the negligent operation of municipal owned vehicles. Consequently, should someone other than an employee be injured, the municipality could possibly be exposed to a lawsuit in which the doctrine of common law would apply and possibly forfeit governmental immunity.

All of the above recommendations will help you in managing your risk exposures during your special event. **Remember the MTPP Risk Control department is available to further assist and answer questions that you may have. Risk Control may be reached at 800.536.7425.** If you should have questions regarding liability coverage and your entity please contact your MTPP Risk Manager.

