



michigan municipal league

# Liability & Property Pool

Proposal

for the

# Village of Lake Orion

Presented By:

Brian Steckroth  
MML Liability & Property Pool  
(248) 204-8283

May 27, 2025

# Table of Contents

---

<b>EXECUTIVE OVERVIEW</b>	<b>3</b>
OUR MISSION	3
<b>INTRODUCTION</b>	<b>4</b>
WHAT YOU CAN EXPECT OF US	4
YOUR POOL INSURES MORE THAN . . .	4
<b>COST AND COVERAGE SUMMARY</b>	<b>5</b>
<b>YOUR TEAM OF EXPERTS</b>	<b>7</b>
BENEFITS OF POOLING WITH THE MML	8
VILLAGE OF LAKE ORION HAS . . .	9
INCREASED LIABILITY LIMITS	9
<b>HIGHLIGHTS OF COVERAGES PROVIDED</b>	<b>10</b>
WHO IS INSURED?	10
GENERAL LIABILITY	10
GENERAL LIABILITY EXCLUSIONS . . .	10
PUBLIC OFFICIALS LIABILITY COVERAGE	11
PUBLIC OFFICIALS LIABILITY EXCLUSIONS	11
PERSONAL INJURY & ADVERTISING / BROADCASTERS LIABILITY COVERAGE	11
POLICE PROFESSIONAL LIABILITY COVERAGE	11
PROPERTY COVERAGE	12
PROPERTY EXCLUSIONS	12
COMPREHENSIVE CRIME COVERAGE	13
AUTOMOBILE COVERAGE HIGHLIGHTS	13
WHAT IS COVERED?	13
AUTO COVERAGES PROVIDED	13
<b>POOL RISK MANAGEMENT SERVICES</b>	<b>14</b>
MEMBER EDUCATION	14
ONLINE SERVICES	14
<b>MEMBERSHIP RESPONSIBILITIES</b>	<b>15</b>

***This proposal is intended to be only a summary of coverages and services. For specific details on coverage terms and conditions, please refer to the Michigan Municipal League Liability and Property Pool coverage document.***

# Executive Overview

---

The Michigan Municipal League Liability and Property Pool has been a stable source of comprehensive municipal insurance and risk management services since 1982. It is financially secure and positioned for long-term stability.

The **Village of Lake Orion** has been a Pool member since **1984**.

The Pool staff is made up of municipal insurance experts. Municipal risk management is our only business, and we are proud of it!

The Pool provides insurance coverage designed specifically for Michigan municipal exposures, combined with a package of loss control programs, claims administration, legal defense, and membership services that you won't find anywhere else in Michigan.

This quotation is based on the limits of coverage requested by the **Village of Lake Orion**. Higher limits may be available, subject to underwriting review by Pool Management. Please submit requests for higher limits in writing to your Account Executive. Your request will be considered by Pool Management.

The insurance and related services described more fully in this proposal are being offered to the **Village of Lake Orion** for an annual premium of **\$73,713**. When compared to last year's cost of \$70,277, it represents a premium increase of \$3,436. In addition, the MML Liability & Property Pool Board of Trustees voted to return another post-renewal dividend for Members renewing in 2025. The **Village of Lake Orion's** portion of the dividend return is \$5,676. The **Village of Lake Orion** will receive this dividend in the month following payment of your 2025 renewal premium.

We encourage you to compare the Pool with our competition. Compare us based on price, coverage, service, financial security, experience, and commitment to municipal risk management. When you do, the advantages of Pool membership become clear.

Thank you for being a Pool member. We look forward to servicing your risk management program for many years to come.

## **Our Mission**

**To be a long-term, stable, cost-effective risk management alternative for members of the Michigan Municipal League Liability and Property Pool.**

# Introduction

---

## ***What You Can Expect Of Us***

- ✓ A commitment to learn, understand and respond to your insurance needs;
- ✓ Continuous planning and innovation in product development and service delivery;
- ✓ Products that meet your needs in terms of price, coverage and service;
- ✓ Prompt, accurate, and courteous response to your questions, problems and claims; and
- ✓ Knowledgeable and professional staff serving your needs consistently and with integrity.

## ***Your Pool Insures More Than . . .***

- |                                 |                                    |
|---------------------------------|------------------------------------|
| ✓ 452 Public Entity Members     | ✓ 173 Water Utilities              |
| ✓ 145 Fire Departments          | ✓ 243 Sewer Utilities              |
| ✓ 185 Law Enforcement Agencies  | ✓ 16 Municipal Marinas             |
| ✓ 2,295 Police Officers         | ✓ \$6.7 Billion of Property Values |
| ✓ 58,727 Miles of Streets/Roads | ✓ 21 Dams                          |
| ✓ 7,697 Vehicles                |                                    |
| ✓ 18 Electric Utilities         |                                    |



## Coverage and Cost Summary Village Of Lake Orion

Effective 07-01-2025 to 07-01-2026

Coverages	Limit of Liability	Aggregate Limit	Per Occurrence Deductible
Municipal General Liability (Coverage A)	\$5,000,000	N/A	\$0
McKenna, Community Development, Planning and Zoning Services	\$5,000,000	N/A	\$0
Orion Charter Township-State Construction Code Enforcement	\$5,000,000	N/A	\$0
Sewer Back-Up Sublimit	\$100,000	\$100,000	\$0
Personal Injury Liability (Coverage B)	\$5,000,000	N/A	\$0
Medical Payments (Coverage C)	\$10,000	N/A	N/A
Public Officials Liability (Coverage D)	\$5,000,000	N/A	\$0
McKenna, Community Development, Planning and Zoning Services	\$5,000,000	N/A	\$0
Orion Township-State Construction Code Enforcement	\$5,000,000	N/A	\$0
Law Enforcement Liability (Coverages A, B, and D)	\$5,000,000	N/A	\$0
Employee Benefit Liability	\$1,000,000	\$1,000,000	\$0
Fire Legal Liability	\$100,000	N/A	N/A
Cyber Liability & Data Breach Response	\$100,000	\$100,000	See Declaration
Dam Liability	No Coverage	N/A	N/A
Marina Operator Liability	No Coverage	N/A	N/A
Uninsured/Underinsured Motorists Coverage	\$100,000	N/A	\$0
Automobile Liability (Coverages A and B)	\$5,000,000	N/A	\$0
# Vehicles	Comp	Coll	
16	\$250	\$250	
Agreed Amount, if applicable 3 Vehicles for a total of \$204,000			
<i>Coverages A, B, and D are provided with a combined single limit of liability. The most the Pool will pay for any one occurrence is \$5,000,000 regardless of the number of coverages involved in the occurrence.</i>			

### Property

Property - Blanket Basis	\$4,497,568	N/A	\$500
Boiler and Machinery	Included	N/A	\$500
Building(s)	Included	N/A	\$500
Cemetery Property - up to \$500 per headstone	# Plots: 4,869	N/A	\$500
Contents	Included	N/A	\$500
Property in the Open	Included	N/A	\$500
Protection & Preservation	Included	N/A	N/A
Property - Actual Cash Value	N/A	N/A	N/A
Property - Limited Replacement Cost	N/A	N/A	N/A

## Coverage and Cost Summary Village Of Lake Orion

Effective 07-01-2025 to 07-01-2026

Coverages	Limit of Liability	Aggregate Limit	Per Occurrence Deductible
Property - No Coverage	N/A	N/A	N/A
Property - Replacement Cost	See Schedule	N/A	\$0
2017 Bayliner Boat, Motor, Trailer	\$23,330	N/A	\$250
Accounts Receivable	\$100,000	N/A	\$250
Cell Phones/Equipment	\$402	N/A	\$250
Christmas Decorations; Lights, Banners, Garland	\$32,000	N/A	\$250
Consequential Damage	\$100,000	N/A	N/A
Contractors Equipment	\$426,150	N/A	\$250
Debris Removal - the lesser of 25% of physical damage loss or	\$5,000,000	\$5,000,000	N/A
Demolition & Increased Costs of Construction Limit	\$100,000	N/A	N/A
Earth Movement	\$2,000,000	\$2,000,000	\$5,000
Electronic Data Processing Equip	\$242,835	\$242,835	\$250
Expediting Expense	\$100,000	N/A	N/A
Extra Expense	\$100,000	N/A	N/A
Fine Arts	\$100,000	N/A	\$250
Fire Extinguishers	\$975	N/A	\$250
Flood (Except for Members located in Flood Zone A, AO, AH, A1-A999, AE, or AR)	\$1,000,000	\$1,000,000	\$5,000
Fungal Pathogens	\$25,000	\$25,000	\$250
Loss of Income	\$100,000	N/A	N/A
Loss of Rents	\$100,000	N/A	N/A
Ornamental Trees, Shrubs, Plants or Lawn	\$5,000	\$10,000	\$250
Personal Effects & Property of Others	\$500	\$2,500	\$250
Police Equipment	\$87,865	N/A	\$250
Radio Equipment	\$101,967	N/A	\$250
Valuable Papers	\$132,000	N/A	\$250
<u>Comprehensive Crime Coverage</u>			
Employee Dishonesty Blanket/Faithful Performance	\$100,000	N/A	N/A
Computer Fraud	\$100,000	N/A	N/A
Depositors Forgery	\$100,000	N/A	N/A
Funds Transfer Fraud	\$100,000	N/A	N/A
Impersonation Fraud	\$100,000	N/A	N/A
Money and Securities Inside	\$100,000	N/A	N/A
Money and Securities Outside	\$100,000	N/A	N/A



michigan municipal league  
Liability & Property Pool

## Coverage and Cost Summary Village Of Lake Orion

Effective 07-01-2025 to 07-01-2026

Coverages	Limit of Liability	Aggregate Limit	Per Occurrence Deductible
Money Orders and Counterfeit Paper	\$100,000	N/A	N/A
<u>Bonds</u>			
Bond #: A Clerk / Treasurer	\$100,000	N/A	N/A
Bond #: B DDA Director	\$100,000	N/A	N/A
Bond #: C Deputy Finance Director / Treasurer	\$100,000	N/A	N/A
Bond #: D Deputy Clerk / Treasurer	\$100,000	N/A	N/A
Bond #: E Assistant DDA Director	\$100,000	N/A	N/A

*Only one deductible applies to claims involving two or more property coverages.*

**The Michigan Municipal League Liability and Property Pool is pleased to offer all coverages and services described in this proposal for an annual premium of \$73,313.**

# Cyber Coverage

TOWER 1 Limit	POLICY AGGREGATE LIMIT OF LIABILITY	\$100,000	For all Damages, Claims Expenses, Penalties and PCI Fines, Expenses and Costs	
	Information Security and Privacy Sublimit	\$100,000	each Claim and in the Aggregate	
	Regulatory Defense and Penalties Aggregate Sublimit:	\$20,000	each Claim and in the Aggregate	
	Website Media and Content Liability Aggregate Sublimit:	\$100,000	each Claim and in the Aggregate	
	PCI Fines, Expenses and Costs Aggregate Sublimit:	\$10,000	each Claim and in the Aggregate	
	Cyber Extortion Aggregate Sublimit:	\$25,000	each Claim and in the Aggregate	
	First Party Data Protection Aggregate Sublimit:	\$25,000	each Claim and in the Aggregate	
	First Party Network Business Interruption Aggregate Sublimit:	\$25,000	each Claim and in the Aggregate	
	Note: The above Sublimits are part of, and not in addition to, the overall Policy Aggregate Limit of Liability			
	Liability Retention Per Claim:			
	TOWER 1 Retention	All other coverages Retention:	\$0	each Claim
		Cyber Extortion:	\$5,000	each Extortion Threat
First Party Data Protection:		\$5,000	each Data Protection Loss	
First Party Network Business Interruption:		\$5,000	each Business Interruption Loss Waiting Period: 12 hours	
Limits of Coverage - Privacy Breach Response Services				
TOWER 2 Limit	Legal Services/Computer Expert Services/Public Relations and Crisis Management Expenses Aggregate Sublimit:	\$50,000	per Incident and in the Aggregate	
TOWER 3 Limit	Notified Individuals:	10,000	Notified Individuals in the Aggregate	
	A sublimit of up to 10% of Notified Individuals residing outside the United States, which is part of and not in addition to the Notified Individuals Aggregate Limit of Coverage			
Note: The Privacy Breach Response Services Limits of Coverage are separate from and in addition to the overall Policy Aggregate Limit of Liability				
Privacy Breach Response Services Threshold/Retention (Each Incident):				
TOWER 2 Retention	Legal Services/Computer Expert Services/Public Relations and Crisis Management Expenses Retention:	\$0	each Incident	
TOWER 3 Retention	Notification Services/Call Center Services/Breach Resolution and Mitigation Services Threshold:	0	each Incident	



## ***Your Team of Experts***



Brian Steckroth  
Service & Sales Manager  
(248) 204-8283



Michael J. Forster  
Pool Administrator  
(734) 669-6340



Katelyn Petracca  
248-204-6160  
(Le – Z)

Alpha Split:



Joan Opett  
248-204-8579  
(A – La)

Customer Service Representatives



Christopher Flechsig  
Liability Claims Supervisor  
(810) 844-8146



Matt Heins  
Loss Control Supervisor  
Law Enforcement Action Forum Coordinator  
(248) 791-4371

## ***Benefits of Pooling with the MML***

- ✓ Proven long-term availability and stability
- ✓ Broad coverage document written specifically for Michigan municipalities
- ✓ Services tailored to unique needs of Michigan municipalities
- ✓ Member assets controlled by an elected Board of municipal officials
- ✓ Equitable rating based on Pool experience in Michigan
- ✓ Aggressive defense strategy – positive impact on case law
- ✓ Professional, dedicated, and experienced local management, oversight and service
- ✓ Decisions made and problems resolved by a group of your peers
- ✓ Investment income and underwriting surplus used to benefit members
- ✓ Lower expenses through tax-exempt and non-profit status
- ✓ Special loss avoidance training sessions including:
  - ✓ Safety aspects of emergency vehicle operations
  - ✓ Accident investigation for supervisors
  - ✓ Confined spaces training

**The advantages of pooling can be summarized by:**

**Service + Control + Value**

### ***Village of Lake Orion Has . . .***

- ✓ \$1,439,192 Annual Payroll
- ✓ \$4,497,568 of total values for real and personal property
- ✓ 13 Law enforcement officers
- ✓ 16 Vehicles
- ✓ 3 Vehicles with agreed values totaling \$204,000
- ✓ \$90 Michigan Catastrophic Claims Assessment (MCCA) per vehicle (was \$121/vehicle for 2023) ↓

### ***Increased Liability Limits***

We cannot guarantee the adequacy of any limit of liability. Due to the following factors, it may be prudent to consider higher limits:

- ✓ Increased jury awards in your jurisdiction
- ✓ Increased litigation trends
- ✓ Protection of tax base against judgments in excess of your policy limits

If you are interested in increasing your liability limits, please contact your Account Executive.

# Highlights of Coverages Provided

## Who Is Insured?

The Pool member entity, elected and appointed officials, employees and authorized volunteers, and any person officially appointed to a Board or Commission

## General Liability

In addition to standard liability coverages (bodily injury, property damage, products and completed operations) the Pool provides coverages that municipalities need on an **occurrence basis with no aggregate liability limits**:

- ✓ Liability resulting from mutual aid agreements
- ✓ Premises medical payments
- ✓ Host liquor liability
- ✓ Watercraft liability, owned less than 26' and non-owned less than 50'
- ✓ Special events **excluding** -
  - Fireworks (unless endorsed)
  - Liquor Liability
  - Mechanical Amusement Rides
- ✓ Fire legal liability for real property
- ✓ Ambulance and EMT malpractice

### **Fireworks Coverage Options: (Fireworks application must be completed before coverage is endorsed)**

1. The MML Liability & Property Pool is primary (the Member is not added as an additional insured on a pyrotechnician's coverage):

Annual Aggregate Sublimit	Additional Premium
\$500,000	Yes
\$1,000,000	Yes
2. The MML Liability & Property Pool is excess (the Member is added as an additional insured on a pyrotechnician's coverage):

**NO ADDITIONAL PREMIUM**

- ✓ Athletic participation liability
- ✓ Employee benefit liability
- ✓ Cemetery operations coverage
- ✓ Marina Operators coverage available
- ✓ Up to \$10 million in liability limits available
- ✓ Pollution coverage for Hazardous Response Teams
- ✓ Cyber Liability and Data Breach Response Coverage – as described on MMLCYD (09/17)

## General Liability Exclusions . . .

The following is a partial list of general liability coverage exclusions. Consult the coverage document for the complete listing:

- ✓ Pollution (except for Hazmat operations).
- ✓ Nuclear energy / nuclear material hazards
- ✓ Expected or intended injury
- ✓ Breach of contract
- ✓ Failure of dams (unless endorsed)
- ✓ Backup of Sewers and Drains (**exception -- \$100,000 Annual Aggregate Sublimit for Sewer and Drain Liability**)
- ✓ Aircraft Liability – (Unless Endorsed -- Limited Coverage for Unmanned Aircraft—MML236)
- ✓ Contractual Liability
- ✓ Failure to supply utilities
- ✓ Electromagnetic radiation
- ✓ Medical malpractice for doctors and physicians
- ✓ Criminal activity--Intentional acts w/knowledge of wrongdoing

## **Cyber Liability and Data Breach Response Coverage**

- ✓ Information Security and Privacy Liability
- ✓ Privacy Breach Response Services
- ✓ Regulatory Defense and Penalties
- ✓ Website Media Content Liability
- ✓ PCI Fines, Expenses and Costs
- ✓ Cyber Extortion
- ✓ First Party Data Protection
- ✓ First Party Business Interruption

## **Public Officials Liability Coverage**

“Wrongful Acts”, including intentional acts, defined as any actual or alleged error, misstatement, act of omission, neglect or breach of duty including:

- ✓ Neglect of duty
- ✓ Zoning defense and land use litigation
- ✓ Malfeasance
- ✓ Violation of civil rights
- ✓ Discrimination
- ✓ Employment practices
- ✓ Misfeasance
- ✓ Cable TV broadcasting

## **Public Officials Liability Exclusions**

The following is a partial list of public officials’ liability coverage exclusions. Consult the coverage document for the complete listing:

- ✓ Pollution and Nuclear Energy
- ✓ Fraud, dishonesty, intentional and criminal acts
- ✓ Failure to purchase coverage or adequate coverage
- ✓ Return of governmental grants or subsidies
- ✓ Intentional acts with knowledge of wrongdoing
- ✓ Eminent domain / takings
- ✓ Illegal profit
- ✓ Labor union actions
- ✓ ERISA violations
- ✓ Backup of Sewers and Drains

## **Personal Injury & Advertising / Broadcasters Liability Coverage**

- ✓ Mental anguish and stress
- ✓ Libel, slander or defamation of character; violation of an individual’s right of privacy
- ✓ Proactive services for non-monetary damage claims

## **Police Professional Liability Coverage**

Police Professional Liability coverage is contained within the General Liability and Public Official Liability Coverage Parts

- ✓ Discrimination
- ✓ Violation of civil rights
- ✓ Jail operations
- ✓ False arrest, detention or imprisonment, or malicious prosecution
- ✓ Wrongful entry or eviction or other invasion of the right of private occupancy
- ✓ Assault or battery
- ✓ Improper service of suit
- ✓ Coverage assumes officers act with intent

## Property Coverage

In addition to covering buildings, contents and personal property, the Pool provides:

- ✓ Blanket coverage -- All member-owned property insured (unless specifically excluded)
- ✓ Coverage based on ownership rather than on a "schedule on file" avoids coverage gaps due to errors or oversight
- ✓ Property of others in custody of the Member for which the Member has an obligation to provide coverage
- ✓ Boiler & Machinery coverage, including Boiler certification inspections
- ✓ Replacement Cost or Actual Cash Value available
- ✓ Fungal Pathogens (Mold) Limited Coverage
- ✓ Demolition/increased cost of construction
- ✓ No coinsurance
- ✓ Valuable papers
- ✓ Loss of Rents
- ✓ Property in the open
- ✓ Extra expense
- ✓ Expediting expense

## Property Exclusions

The following is a partial list of property coverage exclusions. Consult the coverage document for the complete listing:

- ✓ Nuclear reaction/ contamination
- ✓ War
- ✓ Cyber Risk
- ✓ Fungal Pathogens (Mold) excess of sub-limit
- ✓ Failure to supply utilities
- ✓ Transmission Lines and Poles
- ✓ Dishonest acts
- ✓ Acts of Terrorism excess of Pool's Aggregate Sublimit -- MMLC TR (9/1/10)
- ✓ Wear and tear
- ✓ Computer failures/ viruses

**Only one deductible applies to claims involving two or more property coverages.**

## **Comprehensive Crime Coverage**

- ✓ Employee Dishonesty/ Faithful Performance of Duty coverage provided on a blanket basis
- ✓ Loss Inside the Premises
- ✓ Loss Outside the Premises
- ✓ Money Orders/ Counterfeit Currency
- ✓ Depositors Forgery
- ✓ Position Fidelity Bonds
- ✓ Computer Fraud
- ✓ Funds Transfer Fraud

## **Automobile Coverage Highlights**

### **What Is Covered?**

Coverage is afforded while operating land motor vehicles, trailers or semi-trailers designed for travel on public roads.

### **Auto Coverages Provided**

- ✓ Michigan No-Fault Coverage, includes mini-tort coverage for no extra charge
- ✓ Excess protection for use of personal automobile for municipal business
- ✓ Uninsured motorist for municipally owned vehicles
- ✓ Underinsured motorists
- ✓ Non-owned and hired auto
- ✓ Comprehensive - actual cash value basis
- ✓ Collision - actual cash value basis
- ✓ Volunteer firefighter auto accident liability coverage
- ✓ Agreed value coverage for emergency vehicles is available
- ✓ Fire or Rescue Vehicle Rental Reimbursement Coverage

# Pool Risk Management Services

---

- ✓ Review and service of all municipal insurance matters
- ✓ Public entity experts address various liability issues
- ✓ Aggressive, member-oriented defense strategy
- ✓ Former police officials address law enforcement risks
- ✓ Physical inspection by municipal loss control consultants
- ✓ Law enforcement risk control programs (LEAF and LERC)
- ✓ Property appraisal services available

## **Online Services**

[www.mml.org](http://www.mml.org) (click on the *Insurance* button) – offers Pool members an outstanding resource for municipal risk management information and self-help tools in one attractive, simple-to-navigate location. File a claim on line. Download your renewal application. Request a loss control service visit. E-mail us a question. Other services available online:

- ✓ Online Forms (including Sewer Backup Sample Documents)
- ✓ Risk Resources:
  - ✓ Risk Control Solutions
  - ✓ Safety & Health Manual
  - ✓ Risk Management is Good Management Program
  - ✓ Access to Lezage website
- ✓ MML Pool Audited Financial Statements
- ✓ Intergovernmental Contract
- ✓ Board of Directors, Pool Administrator and Staff Profiles and Contact Information



# Membership Responsibilities

---

Membership in the Michigan Municipal League Liability and Property Pool provides numerous benefits. Likewise, individual members have certain responsibilities to the other members, which are detailed in the Intergovernmental Contract. The following is a summary of the membership responsibilities. Please refer to the Intergovernmental Contract, Articles 5 and 6, for more information.

- ✓ If a Member intends to leave the Pool, the Member must send a written notice to the Pool at least 60 days prior to its next renewal date.
- ✓ A Member must pay its premium when due. The Pool must give each member 20 days written notice of intent to terminate membership for nonpayment of premium. Payment of premium before the 20 days notice is effective will entitle the Member to reinstatement.
- ✓ Members must maintain membership or associate membership status in the Michigan Municipal League.
- ✓ A Member will allow attorneys employed by the Pool to represent the Member in defense of any claim made against the Member within the scope of coverage provided by the Pool. A Member will cooperate with the assigned attorneys, claims adjusters, service company or other agents of the Pool relating to the defense of claims for which the Pool is providing coverage.
- ✓ A Member will follow loss reduction and prevention measures established by the Pool.
- ✓ A Member will report to the Pool as promptly as possible all incidents that the Member reasonably believes may result in a claim against the Member.