



CITY OF JONESBORO
GALLAGHER PACKAGE PROPOSAL
INTRODUCTION

Risk Management is rapidly becoming a paramount responsibility of Arkansas Municipalities with Federal Courts rendering judgments almost weekly against municipalities, their officials, and employees. Even though Sovereign Immunity is in effect in State Courts, the associated legal expenses are often too much for a city to bear. Insurance is the only way to guard the city against financial collapse, but all too often a claim is filed and the city is notified that the policy just does not cover that claim. In an effort to aid Arkansas Municipalities in the increasingly difficult endeavor to find appropriate insurance coverages at reasonable prices, the Martin Insurance Division of Arthur J. Gallagher Company has a program available with many advantages not found in currently available insurance policies. A few of these such policies are listed below:

1. Combine all casualty lines into one program.
2. Reduce cost by eliminating duplicate cost associated with multiple policies.
3. Requires only one bid request for all lines, thereby reducing cost of bidding procedure by city.
4. Includes many more coverages and less exclusions than are currently available to municipalities because of cost restrictions.
5. One source availability for loss control, claims reporting, and adjustment and monthly reporting of loss information to provide timely loss control availability.
6. Blanket coverage eliminates the necessity of mid-term endorsements required by current carriers.

There are many other advantages associated with this program. You will see most of the advantages as you go through the following pages.

As I previously mentioned, this is a relatively new program to the State of Arkansas. The only Arkansas municipality at this time covered under this type program is the City of North Little Rock. Should you decide to contact this reference, you may contact Mr. Bob Sisson, Finance Director, at (501) 374-2233.

We realize that the City of Jonesboro has not bid this type program at this time, however, as you can see, due to the nature of this program it is impossible to bid separate lines of coverage. At any point that such a program is to be seriously considered, it is obvious that anniversary dates on various policies will not expire at the same time. Therefore, we request that you consider consolidating all of your policies in one common expiration date by electing our program.



CITY OF JONESBORO
RISK MANAGEMENT PLAN
PROPOSED COVERAGE LIMITS

PROPERTY	\$1,000,000	Limit per Building/Location All Risk Replacement Cost
	\$1,000,000	Flood & Quake Aggregate
EXTRA EXPENSE	\$ 100,000	Each Occurrence
VALUABLE PAPERS	\$ 50,000	Each Occurrence
ACCOUNTS RECEIVABLE	\$ 50,000	Each Occurrence
PUBLIC LIABILITY	\$1,000,000	Each Occurrence Bodily Injury & Property Damage
AUTO LIABILITY	\$1,000,000	Each Occurrence Bodily Injury & Property Damage
AUTO PHYSICAL DAMAGE	INCLUDED	Actual Cash Value
POLICE PROFESSIONAL	\$1,000,000	Each Occurrence
FIREMEN'S PROFESSIONAL	\$1,000,000	Each Occurrence
ERRORS & OMISSIONS	\$1,000,000	Each Occurrence
EMPLOYERS LIABILITY	\$1,000,000	Each Occurrence
MEDICAL PAYMENTS AUTO & PREMISES	\$ 5,000	Each Person
EMPLOYEE FIDELITY AND FAITHFUL PERFORMANCE	\$ 200,000	Each and Every Loss
ELECTRONIC DATA PROCESSING EQUIPMENT, MEDIA, & EXTRA EXPENSE	\$ 121,321	Each Occurrence
MISCELLANEOUS CONTRACTORS EQUIPMENT	\$ 820,495	Each Occurrence
DEDUCTIBLE	\$ 1,000	Each Occurrence All Damage Lines Except General Liability and Public Official Liability
	\$ 50,000	Each Occurrence on General Liability and Public Official Liability

CITY OF JONESBORO



PROPERTY

COMPARISON OF COVERAGES

	<u>GALLAGHER PLAN</u>	<u>CURRENT PROGRAM</u>
PROPERTY PROVISIONS		
Blanket Coverage on Building & Contents	YES	
Replacement Cost on Building & Contents	YES	
Blanket Coverage on Fine Arts		
All locations		
No scheduling	YES	
Glass & Stained Glass Coverage		
All locations	YES	
Money & Securities Coverage		
All locations	YES	
Waiver of Coinsurance Clause	YES	
Unrestricted Automatic Coverage ..		
for Newly Acquired Properties,		
including Contents	YES	
All Risk Coverage	YES	
Worldwide Coverage	YES	
Replacement not limited to rebuilding		
at involved site or with same materials	YES	
Inland Marine		
No scheduling	YES	
Property in Transit		
wherever located	YES	
Valuable Papers	YES	
EDP Equipment	YES	
Builders Risk	YES	
No Property Schedule	YES	
Extra Expense	YES	
Auto Physical Damage	YES	
PROPERTY PERILS COVERED		
"All Risk"	YES	
Burglary, Robbery, Theft		
All locations - full property limit	YES	
Flood	YES	
Earthquake	YES	
Landslide	YES	
Back-up of Sewers	YES	
Rising Waters	YES	
Building Code Changes Included	YES	
Demolition	YES	
Wave Wash	YES	
Wind Driven Rain	YES	
Loss by Animals	YES	
Loss by Freezing		
Occupied or vacant properties		
(No Notice)	YES	
All Properties Included - Automatic Coverage	YES	
No Special Endorsement Required	YES	



CITY OF JONESBORO

CASUALTY

COMPARISON OF COVERAGES

	<u>GALLAGHER PLAN</u>	<u>CURRENT PROGRAM</u>
LIABILITY		
Operation & Premises	YES	
Personal Injury		
Including libel, slander, defamation of character, false arrest, imprisonment, invasion of prlvacy, improper detention, eviction, mallicious prosecution, humiliation, discrimination , violation of civil rights	YES	
Errors & Omissions Claims Made From:		
Public Officials, extended to include non-enforcement of civil codes or ordinances, Teaching, Medical & Nursing (Excluding Clinic & Hospital professional), Legal, EDP, Engineering, Social Welfare, Architects	YES	
Special Events	YES	
Advertising Liablity	YES	
Athletic Activities	YES	
Auto Liability		
owned, non-owned, hired (including mass transit)	YES	
Non-Owned Aircraft/Airports as Scheduled	YES	
Bailee Liability for Impounded Property	YES	
Broadcaster Liability	YES	
Conflict of Interest	YES	
Blanket Contractual		
Oral & Written	YES	
Care, Custody, & Control	YES	
Explosion, Collapse, Underground P.D.	YES	
Employee Benefit Liability	YES	
Pollution		
Sudden & accidental - includes contamination & corrosion	YES	
Garagekeepers Legal Liability	YES	
Liquor Liability	YES	
Host Liquor	YES	
Owners, Landlords, & Tenants	YES	
Products Liability Completed Operations	YES	
Publishers Liability	YES	
Punitive Damages	YES	
Owned & Non-Owned Watercraft	YES	
Assault & Battery		
At direction of Public Official to prevent riot & civil commotion	YES	
Police Professional	YES	
Injury to Volunteers	YES	
Roads, Bridge, Dam, Reservoir Liability	YES	
All Third Party Coverage - Automatic	YES	
No Special Endorsements Required	YES	