



THE PAR-PLAN NEWS

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Season's Greetings



May Peace, Joy, Hope and Happiness be yours during this Holiday Season and throughout the New Year.

The Par-Plan Board of Directors

PUBLIC OFFICIAL BONDS

Public Official Bonds; what they do and how they work.

It's hard to believe, but recently there has been a rash of public officials across Michigan that have either been caught or have admitted to helping themselves to public funds.

The Par-Plan currently is handling several situations where township officials either alone or in concert with others have been accused of stealing. These situations range from padding expense accounts to outright fraud and embezzlement. The dollar amounts range from a few hundred to tens of thousands of dollars. Certainly a sad commentary.

Your program provides protection for such activities through two main coverage areas: Crime Coverage-Employee Dishonesty Bond and Public Official Position Bonds. The Employee Dishonesty Bond covers dishonest acts of employees that are not required by law or statute to carry a named position bond.

Public Official Position Bonds are a much more specific method of protecting the entity from such activities discussed in this article by elected members of the board and their deputies. These bonds are actually required by the State of Michigan as a prerequisite to holding public office. The two main features of these bonds are fidelity of the official and the faithful performance of their duties.

The Par-Plan provides coverage for base limits at no additional charge for each of the state required positions. These positions vary according to entity type; townships, villages, cities, etc. Increased limits are easily provided for any position at an additional premium.

The faithful performance of duty provision can be best explained by recounting an actual situation where an elected supervisor, who was also an alcoholic, basically did nothing that was required of him. He was found on numerous occasions for days on end actually sleeping in his car. The additional costs involved in performing his duties by others were covered until the person was recalled.

There are several risk control techniques that should be implemented to assist in preventing mismanagement of funds. A money handling procedure should be established to include processes for writing checks, receiving checks and petty cash disbursement in addition to in-house audits. To minimize the unauthorized writing of checks, all checks should require two signatures. All checks should be stamped "Deposit Only" immediately upon acceptance. To provide adequate security of all monies and securities, audits should be performed periodically by outside auditing firms.

I know it seems hard to grasp how these coverages can provide protection, but in this day and age many unheard of things are "heard of" more and more often. The Par-Plan coverage documents have been tailored over the past 20 years to address these and other unique aspects of local government and the challenges they face on a daily basis.

MTTP BOARD OF DIRECTORS

Term: July 1, 2005 through
June 30, 2006

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Beaverton Township
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Ira Township
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John Buckhout, Chairman
Charter Township of Kalamazoo
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ZONE 9

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Oceola Township
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FROM THE DIRECTORS DESK.....

I had the privilege of being on the first Par Plan Board of Directors. Hiring Kenrick Corporation to administer the plan was the smartest thing we did. It has been an exciting time watching the Par Plan grow into the largest program of its kind in the nation. I can't imagine what municipal insurance in Michigan would look like if it were not for the innovation and creativity of a group of people twenty years ago. My thanks to everyone involved with the Par Plan for the last twenty years. And my wish for another productive twenty years.

John Jones, Director
Zone 7



Midwest Claims Service, Inc.
 17th Annual Claims Attorney Seminar
 By James Youngblood
 President



The 17th annual Midwest Claims Service, Inc. claim attorney seminar was held on September 14 – 16, 2005 at Lost Lake Woods Club in Lincoln, Michigan.

This year there were over fifty people in attendance. The annual seminar gives the Midwest Claims Service staff, Kenrick Corporation Risk Control representatives, Kenrick employee's that work on the Par Plan program and the Par Plan Board of Directors and opportunity to meet once year to discuss current laws, pending legislation and case law that have an impact on Municipalities and the Par Plan Program. This is a valuable asset to maintain stability and keep a strong viable insurance program for its members. We focus on the sharing of ideas and development of defense strategies for the protection of the members of the Plan.

There is a Claims Advisory Council that works throughout the year to plan each seminar and put the program together. The claims advisory council for this years seminar was:

Robert Seibert, Mt Clemens, Michigan
 Daniel White, Alpena, Michigan
 Fred Lucas, Onsted, Michigan

David Mechlin, Houghton, Michigan
 Midwest Claims Service, Inc.-Staff

This years agenda included the following topics:

- Conditional zoning (Public Act 577), consent judgments, rule of finality, valuations of damages
- Notice requirements for filing claims
- First Amendment retaliation employment cases, absolute and qualified immunity and other related employment issues
- Police professional liability, hot pursuits, liability for non-lethal weapons
- Review of "Know Your Liabilities" training video produced by Kenrick Corporation.
- Valuation expert (guest speaker)
- Auto No-fault update and settlements
- Zoning issues from a developer's perspective (guest speaker)
- Defending zoning cases after referendum

The information on the above mentioned topics is available to the Par Plan members upon request.

Contact James Youngblood President Midwest Claims Service, Inc 800-225-6561.



Midwest Claims Service, Inc
 Attorney of the Year Award
 Robert Seibert

Midwest Claims Service, Inc. attorney of the year committee selected Mr. Robert Seibert, Esq. as our attorney of the year.



Mr. Seibert's office is located at 202 Vicant Building 59 North Walnut St. Mount Clemens, Michigan. He practices and represents clients for Midwest Claims Service, Inc. in Region 10, which includes Huron, Tuscola, Sanilac, Lapeer, St. Clair and Macomb Counties.

Among a number of practice areas Mr. Seibert specializes in Municipal Law. Robert attended Wayne State University and graduated cum laude in 1980. He is the author of a number of publications on zoning issues.

This year's evaluation was based upon the aggressive and equitable solutions to a timely resolve in zoning litigation between plaintiff's and Municipalities. Out of the ten law firms that are appointed counsel for the Par Plan Mr. Seibert had the best record in resolving zoning issues and closing zoning cases.

NIGHT

PAR-PLAN CONVENTION HIGHLIGHTS

FUN



Wednesday, January 25, 2006 (7 to 9:30 p.m.)

“Step right up!” You’ll be amazed as the Par-Plan creates one of the most fun-filled events of the year as DeVos Place is transformed into a magical indoor carnival!

Reminisce as you stroll along path-ways filled with nostalgic reminders of your hometown fair. Experience the wafting scent of popcorn and cotton candy as a carnival barker boldly encourages members of the crowd to try their luck in the next game of chance. Watch the performers in the crowd against the bright colorful lights that flicker and glow. You won’t want to miss this event.

Thursday, January 26 (1:30 to 2:45 p.m.) Be sure to catch the Risk Management for Today’s Township educational workshop session. Find out what areas pose the most risk and discover how you as public officials can control and reduce your risks through proven techniques. This workshop will include a video presentation, “Know Your Liabilities,” which identifies governmental immunity and exceptions to governmental immunity and negligence. This workshop will be presented by Par-Plan service providers and legal counsel.

****Look for your entry bracelet in your delegate bag****

Par- Plan Supports MTA

We are pleased to announce the decision of the Par-Plan to extend its support of the MTA and its efforts by becoming part of the President’s Round Table as a member of MTA’s Allied Service Provider program. The decision to provide the highest level of support to MTA was an easy one for the Par-Plan board of directors.

David Kensler, Par-Plan administrator acknowledges: “Over the past 20 years, the Par-Plan has enjoyed working closely with MTA on their educational programs and conferences. We see this new relationship as a way to build even further on this strong foundation, benefiting township government across Michigan.”

Don R. Hilton, current president of MTA states: “We are pleased to welcome the Par-Plan as a member of the President’s Round Table. The board and staff of the Par-Plan are to be applauded for their support of township government. MTA is most grateful for having the opportunity to work together with industry leaders, such as the Par-Plan, to strengthen the relationship between our members and the business community. This enhanced relationship will be of considerable benefit to townships and residents throughout the state.”