



Hylant Proposed Compensation for Insurance and Risk Management Services

This is in response to the Request for Proposal #993 from the City of Ann Arbor for “Insurance Brokerage Services and Risk Management Consulting.” The stated objective of the RFP is to obtain excellent insurance and risk management services at a reasonable cost. The City intends to enter into a five year contract with the selected consultant with an additional three year extension at the option of the City.

The Hylant proposed fee is \$78,500 annually for the term of the contract including any optional extension chosen by the City. This amount is payable in annual installments in July of each year of the contract.

Below is a table listing the members of the Hylant service team for the City of Ann Arbor. All travel and incidental overhead expenses are contemplated in the fee. There are no additional overhead costs or travel expenses. Loss control and claim data collection services are both determined to be outside of the fee and available to the City at the hourly rates shown below in the section, “Services Provided Upon Request.” These are capabilities that the City has brought in-house since the execution of the original Hylant/City of Ann Arbor Professional Services Agreement (effective July 2012 and now expiring July 2017). Hylant suggest the reduction of the annual fee from the existing contract to reflect the elimination of these services.

Hylant Team Member	Title	Specialization	Hourly Rate
Debbie Neff	Senior Service Assistant		\$98
Nikole Moore	Senior Client Service Manager		\$165
Kathy Bailey	Workers Compensation Consultant - VP	Claim Practice	\$190
Don Bryant	Environmental Practice Leader - VP	Environmental Risk Practice	\$215
Robyn Campbell	Claims Manager	Claim Practice	\$135
Shawn Gratsch	Client Service Executive	Aviation Practice	\$285
Doug Miller	Executive Risk Practice Leader	Executive Risk Practice	\$285
Ryan King	Client Service Executive	Property Practice	\$215
Kimberly Cassey	Client Service Executive - VP	Public Entity Practice	\$215
JPaul Dixon	Client Executive - SVP		\$255
Linda Koos	President – Ann Arbor	Executive Leadership	\$375
Christine Rue	Client Service Executive - VP	Public Entity Practice	\$215

Services Provided Upon Request

Travis Thompson	Risk Control Director	Public Entity	\$185
Cynthia Pulford	Claim	Claim Practice	\$135



Hylant Fee Calculation Details

The Hylant fee is calculated using an estimate of hours. The estimate is based on the actual hours from the work performed for the City over the past five years. It is Hylant's commitment to provide full disclosure to the City of any additional income. Any commissions earned would be disclosed and offset the fee paid. Hylant does not anticipate collecting any commissions for future insurance placements.

In addition to commissions collected, certain insurance companies provide contingent profit sharing agreements to brokers on certain lines of coverage. These agreements will vary from company to company and may consider many factors including growth, profitability and premium retention. To the extent that Hylant is a party to any contingent profit sharing agreements, Hylant will disclose those to the City of Ann Arbor. Such profit sharing agreements will not affect Hylant's recommendations as to placement of insurance with any particular insurance company. At the City's request, Hylant can exclude any profit sharing arrangements.

Hylant's Information Technology department has developed an electronic method of tracking time spent in the servicing of a fee account for each service team member. This will ensure an accurate basis and reconciliation of the service fee charged to the City.