



Legislation Details (With Text)

File #: ID#17-3815 **Version:** 1 **Name:** Approval of our Excess and Specialty Insurance Renewal
Type: Action Item **Status:** Passed
File created: 8/18/2017 **In control:** Finance
On agenda: 9/7/2017 **Final action:** 9/7/2017
Title: Approve the purchase of excess liability, excess workers compensation, and numerous specialty insurance policies from October 1, 2017 through September 30, 2018 at an amount not to exceed \$760,000, and authorize the appropriate officials to execute same. (consent)

Sponsors:

Indexes:

Code sections:

Attachments: 1. AJG Excess & Specialty Ins Renewals Recap FY2017-18.pdf

Date	Ver.	Action By	Action	Result
9/7/2017	1	City Council		
9/5/2017	1	Council Work Session		

SUBJECT/RECOMMENDATION:

Approve the purchase of excess liability, excess workers compensation, and numerous specialty insurance policies from October 1, 2017 through September 30, 2018 at an amount not to exceed \$760,000, and authorize the appropriate officials to execute same. (consent)

SUMMARY:

The Risk Management Division of the Finance Department purchases certain excess and specialty insurance policies through the efforts of the City's insurance broker, Arthur J. Gallagher and Company.

These policies include an excess liability package through Lloyds's of London for coverages including General Liability, Automobile Liability, Employee Benefits Liability, Public Officials Liability, Law Enforcement Liability, Marine Operator's Liability, EMS Liability, and Compressed Natural Gas Liability; an excess workers compensation package through Safety National for coverages including Workers Compensation and Employer Liability; and additional excess policies for Third Party Storage Tank Liability, Hull Protection and Indemnity, Cyber Liability and numerous flood policies.

Due to the City's favorable loss history, the premium increased only 0.16% to \$271,500 on excess package policies.

The premium for excess Workers Compensation coverage increased by 2.32% to \$299,840 for fiscal 2018. The premium rate for this year was locked in, since the insurer for this policy offered a two-year program last year. The premium for fiscal 2018 was actually driven by an increase in salaries. Risk Management is also estimating an increase of 10% for the additional excess policies, and a 20% increase for the various flood policies.

This year's total not-to-exceed renewal amount of \$760,000 is the same as the fiscal 2017 approved not-to-

exceed amount. This request allows us to factor in the estimated increases while maintaining a contingency of \$13,773.

APPROPRIATION CODE AND AMOUNT:

0590-0790-545100-519-000-0000 \$760,000