



Legislation Details (With Text)

**File #:** ID#23-1133    **Version:** 1    **Name:**  
**Type:** Action Item    **Status:** Passed  
**File created:** 9/5/2023    **In control:** Finance  
**On agenda:** 9/21/2023    **Final action:** 9/21/2023  
**Title:** Approve the purchase of excess liability, workers compensation and various specialty insurance policies from October 1, 2023 through September 30, 2024 in the amount of \$1,475,000 pursuant to Clearwater Code of Ordinance Section 2.563(1)(i), Insurance, and authorize the appropriate officials to execute same. (consent)

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. AJG Excess Specialty Ins Renewals Recap FY2023-24 Updated 9-1-2023, 2. Premium Summary for Excess Renewals 2023 24

Date	Ver.	Action By	Action	Result
9/21/2023	1	City Council		
9/18/2023	1	Council Work Session		

**SUBJECT/RECOMMENDATION:**

Approve the purchase of excess liability, workers compensation and various specialty insurance policies from October 1, 2023 through September 30, 2024 in the amount of \$1,475,000 pursuant to Clearwater Code of Ordinance Section 2.563(1)(i), Insurance, 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 Arthur J. Gallagher Risk Management Services, Inc. These policies include the following:

1. Ambridge Public Excess package through Lloyd’s Syndicate 2987, Aspen Specialty Insurance Company, AXIS Surplus Insurance Company, Endurance American Specialty Insurance Company, and United Specialty Insurance Company for General Liability (including EMT-Paramedics, Water Utility and Gas Utility), Automobile Liability, Errors and Omissions Liability, Employee Benefits Liability, Crime, Law Enforcement Liability and Sexual Abuse Liability. New this year is auto physical damage coverage, previously included in the excess property insurance renewal on April 1<sup>st</sup>.
2. Excess Workers Compensation package through Safety National Casualty Corporation for Workers Compensation and Employer’s Liability.
3. Marina Liability package through Great American Insurance Company.
4. Additional policies through various insurers for Cyber Liability, Third Party Storage Tank Liability, Hull Protection and Indemnity, Fiduciary Liability and numerous flood policies.

**Premium Renewals:**

1. The renewal premium for the Ambridge Public Excess package is \$549,088, a 25.75% increase over the expiring premium.

2. The renewal premium for the Excess Workers Compensation package is \$495,815, a 3.89% increase over the expiring premium.
3. The renewal premium for the Marina Liability package is \$56,960, a 29.75% increase over the expiring premium.

Risk Management is also estimating 18-29% increases for the specialty policies. The premiums are not yet due but will come due at various times throughout the next fiscal year. The need to budget for these amounts now are two-fold:

1. The City pays the premium through one purchase order to its broker, Arthur J. Gallagher Risk Management Services, Inc., who then pays the various insurers on the City's behalf.
2. Typically, the City has 30 days to pay most invoices; however, insurance premiums are due immediately on demand and therefore there would be insufficient time to bring the individual premium requests to Council.

The total requested annual premium amount of \$1,475,000 is a 16.79% increase over the current year amount of \$1,262,898.58.

**APPROPRIATION CODE AND AMOUNT:**

5907590-545100	\$1,475,000
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