



Legislation Text

File #: 17-0319, **Version:** 1

ITEM TITLE:

Approval of Renewal of the City's Property and Casualty Insurance Program for the 2017-2018 Insurance Year Effective July 1, 2016 in the Amount of \$616,381

SUBMITTED BY: Brian Carlson, Finance Director

FISCAL NOTES:

Expenditure Required: \$616,380

Unencumbered Balance: \$616,380

Funding Source: pro-rated among departments and funds.

RECOMMENDATION:

Approve the insurance program offered by AML/JIA for the twelve months beginning 7/1/2017, and forego the offered three-year agreements.

SUMMARY STATEMENT:

The attached *2017-2018 Insurance Proposal* contains competing quotes from both APEI and AML/JIA. Premium history is summarized by category in the attached *Insurance Premium History*.

Brokerage services for the coming year are embedded in a three-year renewal approved during 2015. Annual brokerage fees of \$30,000 are unchanged.

On the advice of the City's broker, staff recommends foregoing the respective three-year agreements, as it may provide a disincentive for future competitive pricing.

Staff had budgeted a 7.5% increase in premiums for the 2017 City Budget. As the insurance renewal takes effect on July 1, 2017, this budgeted increase corresponds exactly with the 15% annual increase reflected in the premium summary. How these costs are ultimately allocated among funds and departments may entail a budget revision, but overall costs are fully budgeted.

The following items are contained in the 85-page proposal:

Premium Summary	pg. 4
APEI Quote	pg. 6
AML/JIA Quote	pg. 19
Marine Quote	pg. 38
Boiler & Machinery	pg. 43

Crime pg. 56

Schools Quote pg. 58