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HUMAN RESOURCES

To: Gregg Mandsager, City Administrator
From: Stephanie Romagnoli, Human Resources Manager
Date: June 14, 2018
Re: Insurance Renewal

The city's insurance package is up for renewal once again on July 1, 2018. The insurance committee has met to review renewal information and finalize recommendations for the City Council. The insurance committee consists of local risk managers Hal Larson from Kent Corporation (retired), Greg Brown from HNI Corporation (retired), Rich Dwyer, Kent Corporation, Tom Spread from City Council and City staff members Gregg Mandsager, Nancy Lueck, and me.

The primary package lines of coverage will be renewed with ICAP. This includes addition of the Housing Authority to the ICAP line. Additionally, workers' compensation coverage will be renewed with IMWCA.

At this time, I am requesting City Council's approval to authorize AJG to bind the insurance coverage as outlined in the executive summary. If you have any questions or require additional information, please let me know.

City of Muscatine
Property/Casualty Insurance Renewal
2018-19

Executive Summary:

Insurance Committee recommends renewing coverages with incumbent carriers, as follows:

1. **Iowa Communities Assurance Pool (ICAP):**
 - **Package Policy, includes the following coverage:**
 - **Property – Insurable Values = \$130,717,063**
 - Total Blanket TIV = \$105,071,109
 - Buildings = \$107,322,886
 - Personal Property = \$5,814,935
 - EDP – Hardware = \$842,691
 - EDP – Software = \$50,000
 - Fine Arts = \$10,343,675
 - Misc Scheduled Property = \$4,842,876
 - Misc Unscheduled Property = \$1,500,000
 - **Auto Phys Damage**
 - Insurable Values = \$10,358,677
 - General Liability
 - Auto Liability
 - Law Enforcement Liability
 - Public Officials Wrongful Acts
 - Excess Liability
2. **Iowa Municipalities Workers Compensation Association (IMWCA):**
 - Total Payroll = \$8,933,834
 - Experience Mod = .90
3. **Airport Liability (ACE)**
4. **Marine – Protection & Indemnity/Hull (Great American)**
5. **Excess Marine Liability (NY Marine & Sompco)**
6. **Storage Tank Liability (ACE)**
7. **Flood - NFIP**

Overall premiums increased from \$629,611 to \$664,701. However, ICAP's proposal now includes the Municipal Housing Authority's property, general liability & excess liability premiums of \$29,750. Last year's premium from HAI for the Housing Authority was \$54,764. This policy was cancelled effective 10/1/17 and moved into the ICAP program at an annualized cost of \$28,105---savings of \$26,659.

The Workers Compensation premiums, with IMWCA, increased \$6,265, which is basically flat when compared to the increased payroll.