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HUMAN RESOURCES

To: Gregg Mandsager, City Administrator

From: Stephanie Romagnoli, Human Resources Manager 

Date: June 17, 2019

Re: Insurance Renewal

The city's insurance package is up for renewal once again on July 1, 2019. 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. 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
2019-2020

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 = \$165,836,596
 - Total Blanket TIV = \$135,367,840
 - Buildings = \$142,058,965
 - Personal Property = \$5,814,935
 - EDP – Hardware = \$842,691
 - EDP – Software = \$50,000
 - Fine Arts = \$10,667,675
 - Misc. Scheduled Property = \$4,902,330
 - Misc. Unscheduled Property = \$1,500,000
 - General Liability
 - Auto Liability
 - Including Auto Physical Damage
 - Law Enforcement Liability
 - Public Officials Wrongful Acts
 - Excess Liability
2. Iowa Municipalities Workers Compensation Association (IMWCA):
 - Total Payroll = \$9,351,973
 - Experience Mod = .72
3. Airport Liability (ACE)
4. Marine – Protection & Indemnity/Hull (Great American)
5. Excess Marine Liability (NY Marine & Sompo)
6. Storage Tank Liability (ACE)
7. Flood - NFIP

Overall premiums decreased from \$668,432 to \$633,906. ICAP's proposal continues to include Municipal Housing Authority's property, general liability & excess liability. We moved this coverage into the ICAP program in 2017 for an annualized savings of \$28,105.

The Workers Compensation premiums, with IMWCA, decreased by \$63,976, which is attributed to the City's 18 point Experience Mod reduction along with IMWCA's longevity credits.

Thank you again for selecting Gallagher as your insurance business partner.

Jim Kapsch & Jeff Young
June 10, 2019