

# Staff Summary Report



**Council Meeting Date:** 06-05-2008

**Agenda Item Number:** \_\_\_\_\_

**SUBJECT:** Request approval of annual insurance premium renewals for fiscal year 2008/2009 to include excess property, primary and excess liability, crime, excess workers' compensation, and auto insurance purchased through the City's risk management consultant/broker, Marsh USA, Inc.

**DOCUMENT NAME:** 20080605fsts26 **LIABILITY INSURANCE (0510-01)**

**SUPPORTING DOCS:** No

**COMMENTS:** (T05-109-01) Total amount not to exceed \$1,200,000.

**PREPARED BY:** Ted Stallings, CPPB, Procurement Officer, 480-350-8617

**REVIEWED BY:** Jerry Hart, Financial Services Manager, 480-350-8350  
Michael Greene, Central Services Administrator, 480-350-8516  
Laura Guerrero, Risk Manager, 480-350-8321

**LEGAL REVIEW AS TO CONTRACT FORM ONLY:** N/A

**FISCAL NOTE:** Sufficient funds have been appropriated in 2621-6802, 6804, and 6805.

**RECOMMENDATION:** Approval of 2008/2009 insurance premiums.

**ADDITIONAL INFO:** Marsh USA, Inc., the City's insurance broker, solicited competitive quotes for the following coverages for fiscal year 2008/2009:

Coverage	Name of Carrier	Coverage Amount	Premium
Property	Lexington Ins. Co.	\$200,000,000	\$425,000.00
Liability	Everest National Ins. Co.	\$10,000,000	\$281,300.00
	Lexington Ins. Co.	\$20,000,000	\$163,000.00
	Great American E&S Ins. Co.	\$10,000,000	\$33,750.00
Excess Workers' Compensation	Midwest Employer	(excess of) \$500,000	\$143,182.00
Crime	Zurich Amer. Ins. Co.	\$2,000,000	\$11,500.00
Auto Physical Damage	Fireman's Fund Ins. Co.	\$5,000,000	\$9,245.00

The City has experienced an increase in property insurance premiums this year primarily due to the addition of several new facilities including the Tempe Center for the Arts, the Police Apache Substation and the East Valley Bus Operations and Maintenance Center.