

## City Council – Action Request Form

**Date:** June 18, 2018

**To:** The City Manager

**From:** Lisa M. Saunders, Chief Financial Officer  
Nick Webster, Risk Manager

**Council Action Requested:**

Resolution Authorizing the City Manager to Purchase Property, Boiler/Machinery insurance from Traveler’s Insurance Company through the City’s broker, Surry Insurance.

**Strategic Focus Area:** Service Excellence

**Strategic Objective:** Maintain City’s Financial Strength

**Strategic Plan Action Item:** No

**Key Work Item:** No



**Summary of Information:**

The attached resolution recommends purchasing property insurance, with a \$500 million per occurrence policy limit, from Traveler’s Insurance Company through a contract awarded to Surry Insurance, the City’s insurance broker, for property and boiler/machinery insurance at a rate of \$0.039127/\$100 of property replacement cost for FY 2018-2019. This premium is a rate increase of \$0.005427/\$100 of property replacement cost, or 16%, compared to the FY 2017-2018 rate. The total premium for this policy is \$417,135, compared to last year’s premium of \$348,495.

Surry Insurance was chosen as the City’s insurance broker through a 2016 Request for Proposal (RFP) process. The City issues an RFP for brokerage services every three to five years since most agencies and insurance companies will not participate in an annual RFP process. Surry Insurance’s current contract with the City runs through June 30, 2019, after which the City reserves the option to extend the contract for as many as two additional 12-month periods.

**Committee Action:**

<b>Committee</b>	<u>Finance 6/11/18</u>	<b>Action</b>	<u>Approval</u>
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<b>For</b>	<u>Unanimous</u>	<b>Against</b>	<u></u>
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**Remarks:**