



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Julia H. Cooper

SUBJECT: APPROVAL OF CITYWIDE
INSURANCE RENEWALS

DATE: September 5, 2012

Approved

Date

9/11/12

RECOMMENDATION

Adopt a resolution authorizing the City Manager to select and purchase certain City property and liability insurance policies for the period October 1, 2012 to October 1, 2013, at a total cost not to exceed \$1.6M for all policies, with the following insurance carriers:

1. Lexington Insurance Company, (Boston, MA) - or other insurers that the City is currently in negotiations with - for Property Insurance, including Boiler & Machinery.
2. National Union Fire Insurance Company (New York, NY) to provide the following coverage:
 - Airport Owners and Operators Liability including War Risks & Extended Perils Coverage (Primary and Excess).
 - Police Aircraft Hull & Liability including War Risks & Extended Perils.
3. St Paul/Travelers Insurance Company, (Hartford, CT) - or other insurers that the City is currently in negotiations with - for Automobile Liability (Airport fleet vehicles including Shuttle Buses, and WPCP fleet vehicles) and Airport Shuttle Bus physical damage.
4. Indian Harbor Insurance Company, (Stamford, CT) for Secondary Employment Law Enforcement Professional Liability.

OUTCOME

Approval of these insurance policies will ensure the City maintains appropriate insurance coverage to provide financial protection from catastrophic loss for the City.

EXECUTIVE SUMMARY

The recommended insurance policies will provide the City with protection against loss due to a catastrophic event. Annually, the Finance Department, on behalf of the City, analyzes the City's insurance coverage with their Insurance Broker, Marsh Risk and Insurance Services (Marsh USA). Marsh receives competitive quotes from the insurance market and presents them to the City for consideration. After reviewing the scope of coverage, cost, financial strength to pay claims and resources available to provide services, the Finance Department determines the appropriate insurance coverage and recommends the most advantageous insurance policies. All policies are for a one year term.

BACKGROUND

Every year, the City of San Jose ("City") purchases insurance to protect the City against a catastrophic event, when the frequency of events cannot be predicted, the severity of potential loss could seriously hamper operations, and where the cost of the insurance policy is not prohibitive.

The insurance policies are for a one year term. Annually, the City utilizes its insurance broker, Marsh Risk and Insurance Services to review and analyze the City's insurance and coverage requirements, and obtain competitive insurance quotes.

The insurance policies addressed in this memorandum have an annual renewal date of October 1, 2012. The annual premiums are subject to change during the term due to changes in property schedules, equipments lists, etc.

ANALYSIS

Annually, the Finance Department reviews the City's risk exposures with the City's insurance broker. In June, 2008, Marsh Risk & Insurance Services ("Marsh") was selected through a competitive RFP process as the City's broker. Marsh's responsibilities include working with Staff to analyze the City's needs, and issuing competitive quotes to obtain the most cost effective insurance coverage.

Major insurance companies were solicited to provide quotes for the aforementioned policies. The quotes were compared and evaluated with respect to scope of coverage, cost, the financial strength to pay claims, and the availability of resources to provide services such as property inspections and loss control. Appendix A reflects the best value coverage, renewal premiums and insurance carriers available. The quoted renewal premiums are subject to market fluctuations prior to October 1, 2012. Additionally, premiums may change based upon the addition or deletion of covered properties during the policy term. Appendix B provides a comparison of insurance premiums by fund and type of insurance. This comparison shows that the aggregate insurance quotes received are 6.6% higher than last year. This incorporates a 1% increase in City

insured property values, a 10% decrease in the number of police officers in the secondary employment program, a 12% decrease in the number of vehicles insured, and no change in the number of enplanements at the Airport. However, this renewal has also been adversely impacted by a \$2.5M insured property loss (Kelley House fire) and an internal audit of the management of the Police Secondary Employment program. The audit has thirty recommendations for improvement.

A. Insurance Coverage Recommended

1. All Risk including Boiler & Machinery Property Insurance

Provides coverage for City owned and leased real and personal property (including buildings, contents, business interruption, boiler and machinery, EDP equipment and media, fine arts, loss of rents, expediting expenses, off premises services interruption, unnamed locations, transit, accounts receivable, valuable papers, and other coverage as detailed in the policy forms subject to sub-limits as defined in the policy). This includes property previously owned by the Redevelopment Agency of the City of San José which as a result of the dissolution of the Redevelopment Agency on February 1, 2012 is now owned by the City as Successor Agency to the Redevelopment Agency. The property insurance limit is \$1 billion each occurrence with a \$100,000 deductible per occurrence. The annual rate for the 10/1/2012 renewal is .0375 per \$100 of insured value.

Insurance Carrier: Currently Lexington Insurance Company. Negotiations with other insurance providers are currently in-process.

2. Airport Owners and Operators Liability including War Risks & Extended Perils Coverage

Provides coverage for those sums that the City becomes legally obligated to pay as damage because of bodily injury, property damage and personal injury resulting from airport operations. Additionally, program provides coverage for bodily injury or property damage caused by war and other perils.

Insurance Carrier: National Union Fire Insurance Company

3. Secondary Employment Law Enforcement Professional Liability

Provides coverage for an actual or alleged error or omission, negligent act, neglect or breach of duty by the City's police officers who have been approved to participate in the Secondary Employment program by the City's Secondary Employment Unit (SEU) while conducting law enforcement activities on behalf of an approved third party secondary employer, which result in bodily injury, property damage or personal injury.

Insurance Carrier: Indian Harbor Insurance Company

4. Automobile Liability

Provides coverage for bodily injury, property damage and personal injury for claims arising out of the operation of the Airport and Water Pollution Control Plant auto fleets.

Currently St. Paul / Travelers Insurance Company. Negotiations with other insurance providers are currently in-process.

5. Airport Shuttle Bus –Physical Damage

Provides comprehensive physical damage (i.e. fire, theft, vandalism, malicious mischief) and collision damage subject to a \$25,000 deductible.

Currently Insurance Carrier: St. Paul / Travelers Insurance Company. Negotiations with other insurance providers are currently in-process.

6. Police Aircraft Hull and Liability including War Risks & Extended Perils Coverage

Provides coverage for those sums that the City becomes legally obligated to pay as damages because of bodily injury (including passengers), property damage and hull coverage for the Cessna 182 and American Eurocopter EC 120B. Additionally, program provides coverage for bodily injury or property damage caused by war and other perils resulting from aviation operations. Provides coverage for two (2) aircraft, N408DC and N2705 with current hull values of \$1,750,000 and \$275,000 respectively and limit of liability of \$50,000,000. War coverage was included within this policy. Insurers who previously declined to quote this renewal include Starr Aviation, Global Aerospace and Allianz.

Insurance Carrier: National Union Fire Insurance Company

Appendix A provides a detailed table comparing the current insurance program by coverage levels, carrier(s) and premiums to the recommended renewal program. Please note that with respect to Property (including Boiler & Machinery), Automobile Liability (Airport fleet vehicles including Shuttle Buses, and WPCP fleet vehicles) and Airport Shuttle Bus physical damage coverages, final coverage levels, carriers and/or premiums may be modified depending on the outcome of pending negotiations. However, the total cost will not exceed \$1.6M for all policies which are the subject of this memorandum, without further authorization from Council.

B. Insurance Coverage Not Recommended

The insurance coverages described below were reviewed and analyzed by staff and were determined to be cost prohibitive. Staff, in consultation with our insurance broker, will continue to review the market on a periodic basis and make the appropriate recommendations to Council should anything change.

1. Terrorism Risk Insurance Act of 2002 (TRIA)

Provides coverage for insured losses resulting from certified acts of terrorism as defined by TRIA. For those participating, coverage is currently provided through a temporary Federal program. TRIA was extended by Congress on December 31, 2005 for an additional two years to expire on December 31, 2007, and has since been further extended and amended.

Under TRIA, there is a \$5 million aggregate requirement. Total damages suffered by all insureds from an "Act of Terrorism" as defined by TRIA must be at least \$5 million. If the \$5 million threshold is met, coverage applies subject to specific policy terms and conditions..

The cost of purchasing TRIA coverage is summarized below:

| | |
|--|-------------------|
| All Risk and Boiler & Machinery Property Insurance | \$ 170,094 |
| Airport Owners and Operators Liability | \$ 4,732 |
| Police Aircraft Hull & Liability | \$434 |
| Total estimated TRIA Premium | \$ 175,260 |

See Appendix A for detailed description on costs associated with TRIA.

2. Excess Workers' Compensation

Excess insurance indemnifies the City for Workers' Compensation Claims. In the spring of 2004, the City's previous insurance broker evaluated the benefits and costs of obtaining Excess Workers' Compensation insurance. The cost of purchasing Worker's Compensation insurance was determined to be prohibitive at that time.

In the last six months, the Risk Management Staff have been working with the insurance broker (Alliant) of the California State Association of Counties Excess Insurance Authority (CSAC-EIA), a large statewide joint powers authority of California public entities, including cities, to evaluate the cost of excess workers' compensation insurance. For a limit of \$5M in employer's liability and statutory for workers' compensation, the evaluation yields the following coverage indications:

| Self-Insured Retention per Occurrence | Annual Premium |
|--|-----------------------|
| \$5M | \$416,906 |
| \$3M | \$768,000 |
| \$2M | \$1,002,000 |
| \$1M | \$1,387,000 |

The City has not had a single workers' compensation claim costing over \$2M in the last 20 years. Given the high self-insured retentions and annual premiums, it is staff's opinion that it is not cost effective to purchase excess worker's compensation insurance at this time in light of the City's claim cost history.

3. Excess Liability

Liability insurance indemnifies the City for third-party claims alleging Bodily Injury, Property Damage, and Personal Injury arising from City premises, operations and vehicles.

The City has historically been self-insured for its exposures to third-party liability claims, with the exception of the Airport Owners and Operators Liability Insurance program.

The Finance Department working with the insurance broker of CSAC-EIA recently obtained the following coverage indications for excess liability insurance for a coverage limit of \$25M:

| Self-Insured Retention per Occurrence | Annual Premium |
|--|-----------------------|
| \$10M | \$586,823 |
| \$5M | \$1,236,823 |
| \$3M | \$1,546,059 |
| \$2M | \$1,962,477 |
| \$1M | \$2,802,274 |

This insurance would extend to provide coverage for such potentially high damage exposure matters as automobile accidents, as well as police and paramedic actions. However, the City has not experienced any single loss which would be covered by such insurance over \$2M in the last 10 years; and the City's finances continue to be constrained, it is not recommended that excess liability insurance be purchased at this time.

In the event the City experiences a catastrophic loss, options exist for payment of claim(s). Options include the issuance of so-called judgment bonds (no greater than 40 year term), as well as court-ordered installment payments (no greater than 10 year period). It should be noted that these options require either a successful validation action for the first option, and court approval is required for the second option.

In the event that Council directs, staff will continue to explore excess workers' compensation and/or liability coverage options with private carriers, although based on discussions with Marsh USA, staff's understanding is that there are very few private companies offering such insurance to California public entities presently, and the City should generally not expect premiums to vary significantly from those of CSAC-EIA without a corresponding reduction in coverage. As a further point of reference, Marsh USA informed staff that the City should expect that present private carrier indications for excess liability coverage would be in excess of those provided in 2010¹, and that based on the City's negative response to private insurers' 2010 indications, there would likely be reluctance to provide refreshed quotes and, if so, only if the City was prepared to invest significant staff resources into a detailed formal application procedure.

4. Earthquake

Provides coverage for damage caused by the peril of earthquake or volcanic action. The coverage is limited to direct damage caused by an earthquake.

Earthquake insurance is another type of coverage that has become cost prohibitive. During last year's marketing efforts, we found that the cost for \$5 Million in coverage was in excess of \$500,000 annually. The insurance markets that write catastrophic covers (flood, wind, and earthquake) have reduced available capacity along with increasing insurance rates. This pricing level, the minimum deductible of 5% of the values at risk, and the relatively low limits of coverage available, make it uneconomical to purchase coverage citywide.

Appendix B provides a comparison of the allocation of insurance premiums by fund and insurance type between October 2011 renewal and the proposed October 2012 renewal.

¹ Recap of the 2010 private commercial insurance premium indications included the following¹:

- \$50M limit/\$2M SIR \$723,418 annual premium
- \$50M limit/\$5M SIR \$542,000 annual premium
- \$50M limit/\$10M SIR \$240,000 annual premium

EVALUATION AND FOLLOW-UP

The City Council will be informed as to the status of these policies as part of the annual renewal process each September or by Supplemental Memorandum if necessary.

PUBLIC OUTREACH/INTEREST

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

COORDINATION

This memo has been coordinated with the following departments: Airport, Transportation, Police, Housing, Environmental Services, City Manager's Budget Office, and the City Attorney's Office.

BUDGET REFERENCE

The insurance policies are funded by appropriations in the 2012-2013 Proposed Operating Budget.

In addition to the appropriations listed below, costs associated with insuring remaining Successor Agency assets are estimated to be \$10,125 in 2012-2013. The anticipated payment of these costs associated with asset management for the Successor Agency is reflected on line 85 of the Recognized Obligation Payment Schedule 3 for the period of January 2013 through June 2013. However, due to the nature of these costs, they should be reflected as part of the Administrative Budget of the Successor Agency and will be trued-up in subsequent ROPS periods and reconciliations. As a result of the known insufficiency in redevelopment property tax increment to meet all obligations in 2012-2013, the Successor Agency anticipates relying on the City's General Fund support to provide funding for this obligation as part of the reimbursement agreement which will provide a mechanism for reimbursement to the City of all financial support (beginning July 1, 2012) once sufficient funding remains in the priority of obligations.

| Fund # | Appn # | Appn. Name | Total Appn. | Amt. for Contract² | 2012-2013 Proposed Operating Budget Page¹ | Last Budget Action (Date, Ord. No.) |
|---------------|---------------|--|--------------------|--------------------------------------|---|--|
| 001 | 2001 | Insurance Premiums | \$535,000 | \$521,795 | IX-21 | 06/19/2012, Ord. No. 29102 |
| 001 | 2864 | Police Officers Professional Liability | \$165,000 | \$155,125 | IX-18 | 06/19/2012, Ord. No. 29102 |
| 001 | 0502 | Non-Personal (Police) | \$21,327,755 | \$36,017 | VIII-247 | 06/19/2012, Ord. No. 29102 |
| 523 | 0802 | Non-Personal (Airport) | \$34,316,753 | \$502,763 | XI-5 | 06/19/2012, Ord. No. 29102 |
| 536 | 3405 | Insurance Expenses | \$130,000 | \$103,286 | XI-28 | 06/19/2012, Ord. No. 29102 |
| 518 | 4722 | Rancho Del Pueblo Debt Services (PRNS) | \$455,000 | \$686 | XI-76 | 06/19/2012, Ord. No. 29102 |
| 533 | 0512 | Non-Personal (DOT) | \$4,699,933 | \$46,177 | XI-43 | 06/19/2012, Ord. No. 29102 |
| 513 | 0762 | Non-Personal (ESD) | \$29,754,290 | \$146,215 | XI-85 | 06/19/2012, Ord. No. 29102 |
| 346 | 0562 | Non-Personal (Housing) | \$804,634 | \$2,163 | XI-1 | 06/19/2012, Ord. No. 29102 |
| Total | | | | \$1,524,352 | | |

¹ The 2012-2013 Proposed Operating Budget was approved by the City Council on June 19, 2012.

² The Amount for Contract is subject to change up until the beginning date of the contract. Therefore, current estimates are lower than the recommended contract amount not to exceed \$1.6 million.

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CEQA

Not a Project, File No.PP 10-066 (a) Agreements and Contracts for purchase of insurance.

/s/
JULIA H. COOPER
Acting Director of Finance

If you have questions, please contact John Dam, Risk Manager, at 408-975-1438.

Appendix A
Appendix B

APPENDIX A

1.) ALL RISK AND BOILER & MACHINERY PROPERTY INSURANCE

| | Current Program 10/1/2011 – 10/1/2012 | Renewal Program 10/1/2012– 10/1/2013 |
|--|---|---|
| Carrier | Lexington Insurance Company Boston, MA | Lexington Insurance Company Boston, MA |
| Total Insurable Values | \$ 2,890,588,227 | \$ 2,915,840,625 |
| Limit of Liability | \$1,000,000,000 subject to a \$100,000 Deductible Per Occurrence | \$1,000,000,000 subject to a \$100,000 Deductible Per Occurrence |
| Boiler & Machinery | Included | Included |
| Earthquake | Excluded. Relatively low limits available, 5% deductible, high premium – not recommended | Excluded. Relatively low limits available, 5% deductible, high premium – not recommended |
| Flood | \$100,000,000 but not to exceed \$25,000,000 in Zone B and \$15,000,000 in Zone A. Locations Specified in the insurance policy on file in Risk Management | \$100,000,000 but not to exceed \$25,000,000 in Zone B and \$15,000,000 in Zone A. Locations Specified in the insurance policy on file in Risk Management |
| Other Sub-limits | Other sub-limits as outlined in the insurance policy on file in Risk Management | Other sub-limits as outlined in the insurance policy on file in Risk Management |
| Terrorism and Non Certified Act of Terrorism | Excluded | Excluded |
| Average Rate Per \$100 of Values | .0336 (account rate per two-year rate guarantee) | .0375 (two-year rate guarantee not available) |
| Annual Premium | \$ 971,238 Annual Premium \$ 31,565 surplus lines taxes, fees (3.25%) \$ 1,017,029 Total Annual | \$ 1,093,440, Annual Premium \$ 35,537 surplus lines taxes, fees (3.25%) \$ 1,128,977 Total Annual |
| Engineering Services | Included | Included |
| Multiyear Agreement | 2nd year of two year rate guarantee – Refer to policy for terms and conditions. | Not available |
| Optional TRIA Premium (not recommended for purchase) | \$ 146,779 Additional | \$ 170,094 Additional |

2.) AIRPORT OWNERS AND OPERATORS LIABILITY – ACE USA QUOTE

| | Current Program 10/1/2011 – 10/1/2012 | Renewal Program 10/1/2012 – 10/1/2013 |
|---|---|---|
| Carrier | National Union Fire Insurance Company, New York, NY | National Union Fire Insurance Company, New York, NY |
| Coverage and Deductible | Airport Liability - \$200,000,000 each occurrence combined single limit for bodily injury and property damage, with a \$50,000,000 each occurrence limit for personal injury, war risk liability at \$100,000,000 each occurrence and in the annual aggregate and \$50,000,000 Excess Automobile and Excess Employers Liability. Deductible: \$ 0 each occurrence | Airport Liability - \$200,000,000 each occurrence combined single limit for bodily injury and property damage, with a \$50,000,000 each occurrence limit for personal injury, war risk liability at \$100,000,000 each occurrence and in the annual aggregate and \$50,000,000 Excess Automobile and Excess Employers Liability. Deductible: \$ 0 each occurrence |
| Annual Premium | \$114,723 | \$114,723 |
| Current War Risk & Extended Perils, Terrorism | \$ 7,170 | \$ 7,170 |
| Total (Including Taxes/Fees) | \$ 124,560 | \$ 121,893 |
| Optional TRIA premium (not recommended for purchase) | \$ 4,732 | \$ 4,732 |

3.) SECONDARY EMPLOYMENT LAW ENFORCEMENT PROFESSIONAL LIABILITY

| | Current Program 10/1/2011 – 10/1/2012 | Renewal Program 10/1/2012 – 10/1/2013 |
|-------------------------------------|--|--|
| Carrier | Indian Harbor Insurance Company Stamford, CT | Indian Harbor Insurance Company Stamford, CT |
| Limits of Insurance and Deductibles | \$2,000,000 Each Occurrence \$2,000,000 Annual Aggregate Subject to a \$100,000 Deductible Each Claim | \$2,000,000 Each Occurrence \$2,000,000 Annual Aggregate Subject to a \$100,000 Deductible Each Claim |
| Average Rate per Officer | \$171 (942 officers at policy inception) | \$177 (849 officers at policy inception) |
| Annual Premium | \$151,074 | \$ 150,000 |
| Surplus Lines Taxes and Fees | \$ 4,910 | \$ 4,875 |
| Fees (if any) | \$ 250 | \$ 250 |
| Total Annual Premium | \$ 157,887 | \$ 155,125 |

4.) AUTOMOBILE LIABILITY FOR THE AIRPORT FLEET & AIRPORT SHUTTLE BUS FLEET
PHYSICAL DAMAGE

| | Current Program 10/1/2011 – 10/1/2012 | Renewal Program 10/1/2012 – 10/1/2013 |
|------------------------------|---|---|
| Carrier | St. Paul/Travelers Hartford, CT | St. Paul/Travelers Hartford, CT |
| Coverage and Deductibles | Auto Liability – Fleet Only \$1,000,000 Combined Single Limit (Any Auto) \$1,000,000 UM/UIM (Owned Autos) \$ 5,000 Medical Payments (Any Auto – No Buses) Physical Damage – Buses Only Per Schedule Subject to \$25,000 Comp/Coll Deductible \$500 Comp/Coll Deductible for Hired Physical Damage | Auto Liability – Fleet Only \$1,000,000 Combined Single Limit (Any Auto) \$1,000,000 UM/UIM (Owned Autos) Physical Damage – Buses Only Per Schedule Subject to \$10,000 Comp/\$25,000 Coll Deductible \$500 Comp/Coll Deductible for Hired Physical Damage |
| Exposure | Number of Units 106 | Number of Units 82 |
| Average Rate Per Unit | \$641 | \$675 |
| Annual Premium | \$69,131 | \$55,340 |

5.) AUTOMOBILE LIABILITY - WATER POLLUTION CONTROL PLANT FLEET

| | Current Program 10/1/2011– 10/1/2012 | Renewal Program 10/1/2012– 10/1/2013 |
|-----------------------|---|---|
| Carrier | St. Paul/Travelers Hartford, CT | St. Paul/Travelers Hartford, CT |
| Coverage | \$1,000,000 Combined Single Limit (Any Auto) \$1,000,000 UM/UIM (Owned Autos) \$ 5,000 Medical Payments (Any Auto) \$ 3,500 Property Damage UM | \$1,000,000 Combined Single Limit (Any Auto) \$1,000,000 UM/UIM (Owned Autos) \$ 5,000 Medical Payments (Any Auto) \$ 3,500 Property Damage UM |
| Exposure | Number of Units 41 | Number of Units 43 |
| Average Rate Per Unit | \$589 | \$628 |
| Annual Premium | \$24,605 | 27,000 |

6.) POLICE AIRCRAFT HULL AND LIABILITY

| | Current Program 10/1/2011– 10/1/2012 | Renewal Program 10/1/2012– 10/1/2013 |
|--------------------------------------|--|---|
| Carrier | National Union Fire Insurance Company New York, NY | National Union Fire Insurance Company New York, NY |
| Coverage | Aircraft Hull and Liability - \$50,000,000 each occurrence for liability. Hull coverage: Cessna \$250,000 Eurocopter \$1,750,000 Deductible: Liability – NIL <ul style="list-style-type: none"> • Hull/Cessna - \$500 per occurrence (in-motion) • Hull/Cessna - \$100 per occurrence (not in-motion) • Hull/Eurocopter –\$25,000 per occurrence (rotors in-motion) • Hull/Eurocopter - \$500 per occurrence (rotors not in-motion) | Aircraft Hull and Liability - \$50,000,000 each occurrence for liability. Hull coverage: Cessna \$ 275,000 Eurocopter \$1,750,000 Deductible: Liability – NIL <ul style="list-style-type: none"> • Hull/Cessna - \$500 per occurrence (in-motion) • Hull/Cessna - \$100 per occurrence (not in-motion) • Hull/Eurocopter –\$25,000 per occurrence (rotors in-motion) • Hull/Eurocopter - \$500 per occurrence (rotors not in-motion) |
| Annual Premium | \$ 34,544 | \$ 34,539 |
| Surplus Lines Taxes and Fees | N/A | N/A |
| War Liability & Hull – both aircraft | \$ 1,473 | \$ 1,478 |
| Total | \$ 36,805 | \$36,017 |
| TRIA (if purchased with War | \$ 434 | \$ 434 |

APPENDIX B

Insurance Policies with October 1 Renewal Date
Allocation of Insurance Premiums by Fund & Type of Insurance

| | FY 2011-12 Premiums 12 Months | FY 2012-13 Premiums 12 Months | Percentag e Increase/ Decrease |
|---|-------------------------------------|-------------------------------------|---|
| General Fund - Fund 001 | | | |
| Property Insurance | \$ 471,259 | \$ 521,795 | 11% |
| Police Secondary (1) | \$ 157,887 | \$ 155,125 | -2% |
| Police Air Support (Hull & Liability.) | \$ 36,805 | \$ 36,017 | -2% |
| Subtotal | \$ 665,951 | \$ 712,937 | 7% |
| Airport - Fund 523 | | | |
| Property Insurance | \$ 295,812 | \$ 325,530 | 10% |
| Liability Insurance | \$ 124,560 | \$ 121,893 | -2% |
| Auto Liability Insurance | \$ 69,131 | \$ 55,340 | -20% |
| Subtotal | \$ 489,503 | \$ 502,763 | 3% |
| ESD - Fund 513 | | | |
| Property Insurance | \$ 101,089 | \$ 119,215 | 18% |
| Auto Insurance | \$ 24,605 | \$ 27,000 | 10% |
| Subtotal | \$ 125,694 | \$ 146,215 | 16% |
| Convention and Cultural Affairs - Fund 536 | | | |
| Property Insurance | \$ 93,857 | \$ 103,286 | 10% |
| Subtotal | \$ 93,857 | \$ 103,286 | 10% |
| Municipal Golf Course - Fund 518 | | | |
| Property Insurance | \$ 623 | \$ 686 | 10% |
| Subtotal | \$ 623 | \$ 686 | 10% |
| General Purpose Parking - Fund 533 | | | |
| Property Insurance | \$ 41,962 | \$ 46,177 | 10% |
| Subtotal | \$ 41,962 | \$ 46,177 | 10% |
| Successor Agency | | | |
| Property Insurance (2) | \$ 9,412 | \$ 10,125 | 8% |
| Subtotal | \$ 9,412 | \$ 10,125 | 8% |

Housing

| | | | |
|------------------------|---------------------|---------------------|-------------|
| Property Insurance (3) | \$ 3,014 | \$ 2,163 | -28% |
| Subtotal | \$ 3,014 | \$ 2,163 | |
| TOTAL | \$ 1,430,016 | \$ 1,524,352 | 6.6% |

- (1) Each Police Officer participating in the secondary employment program pays \$110 toward the premium cost. Renewal premium is based on 872 officers at policy inception.
- (2) The City as Successor Agency to the Redevelopment Agency, has assumed operations previously performed by the Redevelopment Agency.
- (3) Allocated premium for Housing will be invoiced directly to Housing for payment.