



CITY of NOVI CITY COUNCIL

**Agenda Item 3
June 4, 2018**

SUBJECT: Approval to renew the City's 2018-19 Property and Liability Insurance coverage with the Stevenson Company in the amount of \$339,839.00.

SUBMITTING DEPARTMENT: City Clerk *CB*

CITY MANAGER APPROVAL:

EXPENDITURE REQUIRED	\$339,839 (FY 18-19) 101-210.00-910.000 \$279,923 268-000.00-910.000 \$ 12,412 590-000.00-910.000 \$ 10,316 592-592.00-910.000 \$ 14,088 594-000.00-910.000 \$ 23,100 402-402.00-976.000 \$ 5,174 400-442.00-976.401 \$ 748
AMOUNT BUDGETED	\$356,854 (FY 18-19) 101-210.00-910.000 \$292,428 268-000.00-910.000 \$ 14,000 590-000.00-910.000 \$ 11,095 592-592.00-910.000 \$ 14,971 594-000.00-910.000 \$ 24,360 402-402.00-910.000 \$ 0 400-442.00-910.000 \$ 0
APPROPRIATION REQUIRED	\$5,922
LINE ITEM NUMBER	402-402.00-910.000 \$ 5,174 400-442.00-910.000 \$ 748

BACKGROUND INFORMATION:

The Stevenson Company has provided the City with Property and Liability Insurance coverage since 2003. The coverage period is July 1, 2018 through June 30, 2019. This coverage includes City owned property, buildings and equipment (large equipment including DPS and Fire equipment), its employees, elected officials and volunteers, regulatory takings/inverse condemnation coverage, Sewer Backup Liability coverage, and Cyber Incident Response Liability.

The coverage includes the Library, Ice Arena, Meadowbrook Commons and the Water Fund. Each of these entities, by way of separate line item numbers, reimburse the General Fund in the appropriate premium amounts. The underwriters use the following to provide rates: (a) claims experience (b) budget (c) number of total staff (d) number of police staff and number of firefighters and (e) property valuations (land, building, equipment, vehicles, gasoline storage tanks, etc.). The premium rate did not change, however the overall premium did increase due to

an increase in Michigan Catastrophic Claims Association charges, the addition of 8 vehicles, and an increase in the building value of Meadowbrook Commons.

RECOMMENDED ACTION: Approval to renew the City's 2018-19 Property and Liability Insurance coverage with the Stevenson Company in the amount of \$339,839.00.