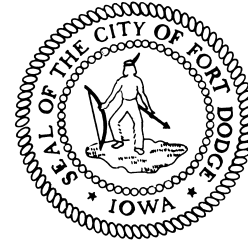


August 15, 2014

To: Mayor Bemrich and City Council
From: David Fierke, City Manager
**Subject: Property and Casualty Insurance Renewal –
Iowa Communities Assurance Pool (ICAP)**



ACTION: For vote Monday, August 25, 2014

Brief History

On August 12, 2013 the City Council approved Iowa Communities Assurance Pool (ICAP) as the new provider of the City's property and casualty insurance. ICAP's FY14 policy premium of \$317,931.42 was a substantial savings (approximately \$130,000) over the last premium by the prior carrier, Travelers Life Insurance.

Analysis of Issue

ICAP's FY15 gross premium for property and casualty is \$336,936.98. We received a member distribution redemption premium reduction in the amount of \$4,944.55 resulting in a net premium of \$331,992.43, a \$14,061.01 or 4.4% increase over the prior year. One factor that contributed to the increased FY15 amount was that FY14 was an estimate predicated on taking actual inventories which were done in FY14. According to the local agent, the only remaining inventories to be taken/verified are Parks and Recreation and Public Works machinery and equipment.

Budget Impact

Sufficient funds have been budgeted and levied to cover the FY15 premium.

Signed

Approved

Jeff Nemmers
City Clerk/Finance Director

David R. Fierke
City Manager