

MEMORANDUM

TO: Governing Board
FROM: Pam Shaw, Chief Financial Officer
THRU: Steve Minnis, Deputy Executive Director, Business and Community Services
DATE: August 2, 2019
RE: Authorization for the Executive Director to Procure Professional Insurance Coverage from Public Risk Insurance Agency

RECOMMENDATION

Staff recommends the Governing Board authorize the Executive Director to procure Property and Casualty, Commercial General Liability, Auto, and Workers Compensation insurance coverage from Public Risk Insurance Agency at an annual premium cost of \$60,797 for Fiscal Years 2020 and 2021.

BACKGROUND

The District solicited Property and Casualty, Commercial General Liability, Auto, and Workers Compensation coverages through a competitive bid on July 14, 2017 on ITB 16/17-023AO. Public Risk Insurance Agency was the only agency to respond to the bid. At the August 2017 Governing Board meeting, the Board authorized the Executive Director to procure insurance coverage from the most cost-effective provider at an annual aggregate premium of \$57,532 for Fiscal Years (FY) 2017-18, and 2018-19. The coverage agreement may be extended for an additional two years with a two-year rate guarantee pending Governing Board approval.

The District staff recommends continuing insurance coverage as outlined below for FY 2020 and 2021 for an aggregate annual premium of \$60,797, which represents a 6.8 percent increase.

COVERAGE	CARRIER	FY 2018 & 2019 PREMIUM	FY 2020 & 2021 PREMIUM	INCREASE (DECREASE)
Liability (CGL)	PGIT	\$18,931	\$20,877	\$1,946
Workers Comp	PGIT	\$7,931	\$7,748	(\$184)
Auto	PGIT	\$9,182	\$9,996	\$814
Property	PGIT	\$20,285	\$21,578	\$1,293
Governing Board Travel	Hartford	\$598	\$598	\$0
TOTAL		\$56,927	\$60,797	\$3,873

Funding for this recommendation is contingent upon approval of the final budgets.

PS/tm