

CITY of NOVI CITY COUNCIL

**Agenda Item 6
June 6, 2011**

SUBJECT: Approval to renew the City's Property and Liability Insurance coverage to the Stevenson Company/Municipal Insurance Alliance in the amount of \$289,444.

SUBMITTING DEPARTMENT: Human Resources/Finance *ha*

CITY MANAGER APPROVAL: *[Signature]*

EXPENDITURE REQUIRED	\$289,444
AMOUNT BUDGETED	\$305,350
LINE ITEM NUMBER	101-299.00-910 and all other 910 accounts in other funds.

BACKGROUND INFORMATION:

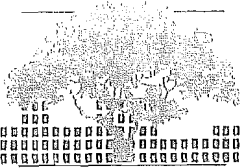
The Stevenson Company has provided the City with Property and Liability Insurance since 2003. This coverage includes City owned property, buildings, and equipment (large equipment including DPS and Fire equipment) its employees, elected officials, and volunteers. Also included through this coverage is Special Events Liability, Medical Services Professional Liability, Wrongful Acts (Errors and Omissions) and Sewer Backup Liability coverage.

The underwriters use the following to provide rates: (a) claims experience, (b) budget, (c) no. of total staff, (d) no. of police staff, (e) no. of firefighters, and (f) property valuations (land, building, equipment vehicles, etc.). Additionally, the Stevenson Group provided recommendations to the City that aided to the reduction in premium. Further, the property and liability insurance market continues to be "soft" and therefore we did anticipate a decline in rates. The City's annual premium is \$21,995 less than it was last year. The annual premium rate for the 2010/11 fiscal year was \$311,439.

RECOMMENDED ACTION: Approval to renew the City's Property and Liability Insurance coverage to the Stevenson Company/Municipal Insurance Alliance in the amount of \$289,444.

	1	2	Y	N
Mayor Landry				
Mayor Pro Tem Gatt				
Council Member Fischer				
Council Member Margolis				

	1	2	Y	N
Council Member Mutch				
Council Member Staudt				
Council Member Wrobel				



STEVENS ON
company

127 W. University Drive
Rochester, MI 48307

248.650.2736 / MAIN
248.650.2740 / FAX
800.761.8895 / TOLL FREE

The Stevenson Company
Account Statement

Date: May 14, 2011

Named Insured: City of Novi
Attn: Tia M. Gronlund-Fox
45175 W. Ten Mile Road
Novi, Michigan 48375

<i>Coverage Document</i>	<i>Policy Number</i>	<i>Date of Coverage</i>	<i>Premium</i>
<i>Municipal Alliance</i>	<i>PKG80410059</i>	<i>7-1-2011/2012</i>	<i>\$ 289,444.00</i>
<i>Total Installment Premium Due</i>			<i>\$ 289,444.00</i>

Premium Statement: July 1, 2011

Please make check payable to: The Stevenson Company
127 W. University Drive
Rochester, Michigan 48307

Phone: 800-761-8895