



2024-079

5000 Diamondhead Circle ·  
Diamondhead, MS 39525-3260

March 26, 2024

City of Diamondhead  
5000 Diamondhead Circle  
Diamondhead, MS 39525

Dear Councilmembers:


Re: Property, Equipment, Liability, Auto, Public Officials, The City’s Property, Equipment, General Liability, Auto, Public Officials, Employment Practices and Equipment Breakdown Insurance Coverages.

Frank Bordeaux and his staff have completed the marketing process and provided a proposal for renewal with a total combined premium in the amount of \$131,225. This is an increase \$11,562 over last year’s combined premium \$119,663. It is recommended to renew policies through Cadence Insurance for property through Velocity in the amount of \$28,355, Inland Marine through Ascot Insurance Company in the amount of \$17,516, Equipment Breakdown through Hartford Steam Boiler in the amount of \$1,035, General Liability in the amount of \$17,620 and Public Officials Liability in the amount of \$12,392 both through Travelers-The Charter Oak, Business Auto in the amount of \$44,174 through Travelers Property and Casualty and Crime and Cyber in the amount of \$10,133 through Travelers Casualty and Surety. All policies renewing will expire April 8, 2025. A summary of the policy and insured values are as follows:

### PREMIUM SUMMARY

COVERAGE	COMPANY	AM BEST RATING	RENEWAL PREMIUM	EXPIRING PREMIUM
Property	Velocity (Various Insurers)	A- or Better	\$28,355 \$4,802,003 TIV	\$23,931 \$4,670,851 TIV
Inland Marine	Ascot Insurance Company	A XIII	\$17,516 \$1,480,372 TIV	\$21,892 \$1,887,263 TIV
Equipment Breakdown	Hartford Steam Boiler Inspection and Ins	A++XV	\$1,035 \$4,612,851 TIV	\$946 \$4,612,851 TIV
General Liability	Travelers- The Charter Oak Fire Insurance Co	A++XV	\$17,620	\$12,988
Public Officials/EPL Liability	Travelers- The Charter Oak Fire Insurance Co	A++XV	\$12,392	\$10,645
Business Auto	Travelers Property and Casualty Co of America	A++XV	\$44,174 42 Units	\$38,928 39 Units
Crime and Cyber	Travelers Casualty and Surety Co of America	A++XV	\$10,133	\$10,333
<b>TOTAL ESTIMATED ANNUAL PREMIUM</b>			<b>\$131,225</b>	<b>\$119,663</b>

Sincerely,

  
Jon McCraw  
City Manager

## PREMIUM SUMMARY

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Public Officials/EPL Liability	Travelers- The Charter Oak Fire Insurance Co	A++XV	\$12,392	\$10,645
Business Auto	Travelers Property and Casualty Co of America	A++XV	\$44,174 <i>42 Units</i>	\$38,928 <i>39 Units</i>
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<b>TOTAL ESTIMATED ANNUAL PREMIUM</b>			<b>\$131,225</b>	<b>\$119,663</b>

## OPTIONAL QUOTE

COVERAGE	COMPANY	DESCRIPTION	PREMIUM CHANGE
Commercial Auto	Travelers	Delete Uninsured/Underinsured Motorists Coverage (currently 750K limit)	<b>-\$3,714</b>

\*Option: Policy Billed by: Cadence Insurance, A Gallagher Company  
Pay Online – <https://cadenceinsurance.epaypolicy.com/>  
Credit Card – 3.50%

### Renewal Notes:

**Property** – Renewal premium is up this year due to market conditions and 3% increase in building value as inflation guard. Deductibles are increasing from 2% to 3% Named Storm and from \$10,000 to \$25,000 All Other Wind/Hail Deductible. We're still waiting to hear back from a few markets but so far no one has been able to compete with the renewal terms.

**Inland Marine** – Total values decreased by 22%. Evanston offered a flat rate renewal at \$18,792 however with increased deductibles from \$5,000 to \$25,000 Wind/Hail/Quake except \$10,000 to \$25,000 Flood; plus excluding flood/quake on I-10 Exit Interchange Lighting and adding a \$100,000 Wind/Hail Deductible. We will not be renewing those terms and we will instead replace them with Ascot Insurance for more favorable pricing and deductibles: \$17,516 with \$10,000 Flood/Quake Deductibles and 3%/\$25,000 Minimum Wind/Hail Deductible.

**GL/PO/EPL/Auto Package** – Per the underwriter, rates increased this year due to GL loss ratio sitting at 309%.