

CITY OF LYNDEN

EXECUTIVE SUMMARY



Meeting Date:	October 7, 2019	
Name of Agenda Item:	Request to Contract with Washington Cities Insurance Authority	
Section of Agenda:	New Business	
Department:	Finance	
Council Committee Review:	<input type="checkbox"/> Community Development <input checked="" type="checkbox"/> Finance <input type="checkbox"/> Parks	<input type="checkbox"/> Public Safety <input type="checkbox"/> Public Works <input type="checkbox"/> Other: _____
Legal Review:	<input type="checkbox"/> Yes - Reviewed <input type="checkbox"/> No - Not Reviewed <input checked="" type="checkbox"/> Review Not Required	
Attachments:		
None		
Summary Statement:		
<p>The Finance department, which has the responsibility to oversee the City's Risk Management Program has assessed the City's Insurance needs and costs and determined that for the required level of coverage the City's insurance premiums are excessive and not sustainable.</p> <p>For the past year the Finance Director has been negotiating the City's insurance premiums with the current insurer, Cities Insurance Association of Washington (CIAW) with no success in obtaining better premiums.</p> <p>After researching other municipal insurers, the Finance Director has secured a competitive proposal from Washington Cities Insurance Authority (WCIA). WCIA insures numerous Cities across Washington State such Bothell, Mukilteo, Mt. Vernon, Burlington and Everson to name a few. Their reputation with the other Cities is excellent, they have a robust training program, free pre-claim legal counsel, and are able to provide the City of Lynden with equal or superior coverage amounts across all lines of insurance required by the City at very competitive premiums.</p> <p>To compare premiums, the City's current insurer's (CIAW) estimated 2020 premiums for the City of Lynden is \$733,802. WCIA proposed to insure the City of Lynden in 2020 for \$412,233, a difference and annual cost savings of \$321,569 to the City.</p> <p>The WCIA proposal was reviewed and approved for further Council review and action by the City Administrator and the Mayor. It was then reviewed on September 16th by the Finance Committee and approved for review and approval by the full Council.</p>		
Recommended Action:		
The City Council give approval to authorize the Mayor to contract with Washington Cities Insurance Authority (WCIA) as the City's new insurer.		