



City of Stevenson

Leana Kinley, City Administrator

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To: Stevenson City Council
From: Leana Kinley, City Administrator
RE: Insurance Analysis
Meeting Date: February 21, 2019

Executive Summary:

At the November 15, 2018 council meeting, council approved a letter of intent to withdraw from CIAW and move forward with researching other insurance options. Staff looked into two other programs, the Association of Washington Cities Risk Management Service Agency (RMSA) and the Washington Cities Insurance Authority (WCIA).

Overview of Items:

The premium costs, deductibles and coverage summaries for the various programs are listed below, with the details in the attached files. In addition to the financial differences, the program operations also vary. Both RMSA and WCIA have a robust training component requiring a minimum amount of training to either maintain a zero deductible (RMSA) or to maintain insurance coverage (WCIA). The training for WCIA and RMSA are similar and both use LocalGov-U for online training with the same availability of courses. WCIA has additional requirements aimed at reducing liability in order to be part of the pool, which includes an annual audit and review as well as the requirement to attend one Full Board meeting a year. All offer reimbursement programs for training and education to varying degrees.

<u>Insurance Costs</u>	<u>CIAW</u>	<u>RMSA</u>	<u>WCIA</u>
Premium	\$ 83,617	\$ 48,026	\$ 47,110
Agency Servicing	\$ 4,023	N/A	N/A

<u>Deductibles</u>	<u>CIAW</u>	<u>RMSA</u>	<u>WCIA</u>
General Liabilities	\$1,000	None	None
Auto Physical Damage	\$1,000	None	\$250

<u>Coverage Limits</u>	<u>CIAW</u>	<u>RMSA</u>	<u>WCIA</u>
General Liability	\$ 10M	\$ 15M	\$ 25M

Conclusion:

Staff recommendation is to go move forward with WCIA for insurance coverage in 2020.

After council approval, staff will work to obtain the necessary contracts for authorization at future council meetings.