

cc-21(c)

CITY COUNCIL MEETING

February 3, 1982

CITY'S SELF
INSURANCE LIABILITY
PROGRAM

Following introduction of the matter, Council, on motion of Councilman Pinkerton, Murphy second, approved an expenditure of \$46,850 for the City's excess liability coverage with a limit of \$20,000 over a self-insured retention of \$100,000 which amount represents an annual premium.

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Max Elson Insurance, Inc.

February 1, 1982

Mr. Jerry L. Glenn
Assistant City Manager
CITY OF LODI
Lodi, CA 95240

Dear Jerry:

As we have been discussing, we have secured four quotations on the City's Self Insurance Liability Program for your consideration.

The figures range from a high of \$62,850 to a low of \$46,850.

As you will recall, last year council authorized the purchase of two policies, one with a limit of \$5,000,000 over a \$100,000 Self Insured Retention; the second taking the limit to a total of \$30,000,000. The annual premium for these two policies was \$63,000.

Before we finalized the second limit, we were able to increase the overall limit to \$50,000,000 with no increase in the premium.

The addition of the Dial-A-Ride exposure resulted in an additional premium of \$7,500 pro rated for the one month remaining on 1981's policy.

The bottom line was a \$50,000,000 limit, a \$100,000 Self Insured Retention for a full annual premium of \$70,500.

The lowest quote for this year is with a limit of \$20,000,000 over a Self Insured Retention of \$100,000 and carries an annual premium of \$46,850.

This limit can be increased to any level you feel necessary at a cost of \$350 per million.

I have taken the liberty of binding this coverage at the \$20,000,000 limit subject to council's final approval.

Yours,

JIM ELSON

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CITY OF LODI

REVIEW OF SELF INSURED LIABILITY PROGRAM

<u>DATE COMPANY POLICY NO.</u>	<u>LIMITS</u>	<u>SIR</u>	<u>PREM.</u>	<u>NO. OF CLAIMS</u>	<u>PD. LOSSES & EXPENSES</u>	<u>RESERVES OUTSTANDING</u>
<u>2-2-77/78</u>						
ADMIRAL 7CM0351	\$ 300,000	\$ 25,000	\$85,532	55	\$ 21,649	\$ 7,076
MUTUAL FIRE EL100265	200,000	N/A	25,825			
INS. CO. ST. OF PENN. 4176-7138	5,000,000	N/A	60,175			
<u>2-2-78/79</u>						
ADMIRAL (60%) 1ST ST. INS. CO. (40%) 78HWP3008	\$ 500,000 INCL.	\$ 50,000 INCL.	\$86,466 INCL.	43	\$ 35,200	\$ 35,826
NEW HAMPSHIRE 5178-0801	5,000,000	N/A	47,250			
<u>2-2-79/80</u>						
ADMIRAL CM0731	\$ 1,000,000	\$100,000	\$86,430	60	\$ 47,770	\$138,340
AMBASSADOR SC085167	5,000,000	N/A	24,352			
<u>2-2-80/81</u>						
TRANSCONTI- NENTAL SXP 3584273	\$ 5,000,000	\$100,000	\$65,250	34	\$ 21,358	\$ 88,342
<u>2-2-81-82</u>						
TRANSCONTI- NENTAL SXP 3584200	\$ 5,000,000	\$100,000	\$60,000	24	\$ 1,906	\$ 38,337
LLOYDS 1W30514	45,000,000	N/A	3,000			

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