

North Branch

PO BOX 910, NORTH BRANCH, MN 55056-9479

PHONE (651) 674-8113 • www.ci.north-branch.mn.us

Date: July 7, 2017



RE: Property and Casualty Insurance Agent Selection

The City of North Branch is seeking proposals to engage the services of a licensed property and casualty insurance agent to serve as its insurance servicing agent of record with respect to all insurance of the City within the scope of insurance policies/coverages including, but not limited to, fire, general liability, workers' compensation, casualty, public official and law enforcement liability, marine and other miscellaneous coverages as may be required by the City, but shall not include employee fringe benefits such as group health, life, dental disability insurance or pensions.

The relationship between agent and City is anticipated to continue for a minimum of three (3) years, although it may be terminated sooner by either party as provided in the contract. The City currently has insurance coverage through the League of Minnesota Cities Insurance Trust (LMCIT). At this time, the City is not actively pursuing proposals from other carriers and does not expect to do so.

Please complete the enclosed Request for Proposal and return it no later than July 31, 2017 by 4:30pm:

Richard Hill
Finance Director
PO Box 910
North Branch, MN 55056

If you have any questions regarding the Request for Proposal, please contact me at 651-277-5230. The City reserves the right to reject any or all proposals.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard Hill". The signature is written in a cursive, flowing style.

Richard Hill
Finance Director

REQUEST FOR PROPOSAL – PROPERTY & CASUALTY INSURANCE

Agency Name: _____

Address: _____

Phone Number: _____

Date Established: _____

Brief Description of Agency's Historical Background:

AGENCY EXPERIENCE AND QUALIFICATIONS

1. Is agent/broker licensed in the State of Minnesota for all property/casualty insurance lines?

Yes ___ No ___

2. Describe your continuous years of experience with business or commercial insurance for the previous five (or more) years.

3. List all other governmental risks written by proposer in the last five years:

<u>Governmental Unit</u>	<u>Phone Number</u>	<u>Insure</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

4. Furnish the following information concerning your agent's professional liability insurance:

Name of Insurer: _____

Limit(s) of Liability: _____

Deductible: _____

If your firm does not carry such insurance, please check here: _____

NOTE: The successful applicant will be required to furnish a certificate of insurance.

5. List all companies represented through direct agency contracts (indicate if the company actively writes and services governmental risks):

<u>COMPANY</u>	Write governmental risks?	
	YES	NO
_____	___	___
_____	___	___
_____	___	___
_____	___	___
_____	___	___
_____	___	___
_____	___	___

6. List your agency's premium volume rates*, by category, as follows:

Personal Lines _____

Governmental Lines _____

Commercial Lines _____

* Rate categories:

<u>RATE</u>	<u>DOLLAR LIMITS</u>
1	Under \$500,000
2	\$501,000 to \$1,000,000
3	\$1,000,001 to \$2,500,000
4	Over \$2,500,000

If your office is a branch or subsidiary office of a national or multi-office firm, also show below the same information for your office.

Personal Lines _____

Governmental Lines _____

Commercial Lines _____

7. STAFFING. For each agent, administrative or technical person, loss control engineer and inspector who would be assigned to the City's account, provide the following (NOTE: If additional space is needed, use blank paper and attach to the proposal):

Name #1: _____

Title: _____ Hourly Fee: _____

Experience: _____

Professional Designations and Education: _____

Name #2: _____

Title: _____ Hourly Fee: _____

Experience: _____

Professional Designations and Education: _____

Name #3: _____

Title: _____ Hourly Fee: _____

Experience: _____

Professional Designations and Education: _____

8. Describe any other agency or company resources or special qualifications:

9. Describe loss prevention services, if any, (safety, fire protection, security, etc.) available from or through your agency:

- 10. Provide a detailed description of how your firm would market the City's property and liability insurance program in an effort to insure that the League of Minnesota Cities Insurance Trust (LMCIT) is or remains competitive and provides the best coverage for the City.

- 11. Attach copies of forms and reports provided by your agency to other clients. Label this information "Response to #1 V.

- 12. What do you expect of your municipal clients?

13. Please provide your commission percentages by coverage line:

Comprehensive Municipal Property & Casualty	_____
Workers' Compensation	_____
Other (describe):	
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

14. FEES FOR SERVICES.

The fees for services shall be either a flat fee for each year, or based on premium percentage each year. The City, in evaluating the requests for proposals, will use the current premiums as stated in this proposal to determine cost comparisons.

The fees provided are for the following activities:

- a. Conduct an exposure survey;
- b. Analyze policies and identify gaps, overlaps, failures to dovetail, structural deficiencies in the policies, and develop comprehensive insurance coverages;
- c. Assist in drafting insurance specifications;
- d. Obtain quotes, negotiate, make recommendations, and place all required insurance;
- e. Assess the stability of the proposed insurer, including its re-insurance;
- f. Provide certificates of insurance;
- g. Process requests for endorsements to the policies (ie. new vehicles and buildings);
- h. Provide annual stewardship report discussing previous year's experience, future concerns and exposures, and goals and objectives for the future;
- i. Review policies, billings, claims and assist as required;
- J. Update insurable values;
- k. Provide a loss exposure list and classification, updated annually;
- 1. Provide an insurance policy notebook which contains all policies and a summary of coverages.;
- m. Provide a complete accounting of commissions earned (direct and contingent) on the account;
- n. Review and explain all coverage changes, including implications and new requirements;
- o. Prepare a cumulative five-year premium and loss record;

- p. Assist in minimizing premiums (reviewing and auditing rating basis, formulas, etc.);
- q. Attend risk control/safety committee meetings as needed.

FEES:

1ST YEAR

2ND YEAR

3RD YEAR

* Assume the insurance and premiums summary is accurate. Assume insurance is either placed net of commissions and services or on commission offset fees. Assume that a minimum three-year agent of record relationship is anticipated except for unsatisfactory service or changing uncompetitive fee.

Please provide insurance options/quotes for Municipal Liquor Liability coverage:

Company	Coverage	Costs
_____	_____	_____
_____	_____	_____
_____	_____	_____

Submitted by:

Dated: _____

CITY OF North Branch
INSURANCE AND PREMIUM SUMMARY

<u>COVERAGE</u>	<u>COMPANY</u>	<u>ESTIMATED ANNUAL PREMIUMS</u> (Unaudited and unverified)
Workers' Compensation	League of Minnesota Cities Insurance Trust (LMCIT) through Berkley Administrators	\$110,244
	LMCIT through Berkley Risk	
AUTOMOBILE DAMAGE/LIABILITY		15,618
\$		
MUNICIPAL LIABILITY		\$46,085
(this is a combination of general liability and public officials E&O)		
PROPERTY		\$ 54,565
(this includes buildings, contents, property in the open and mobile property)		
PROPERTY EQUIPMENT BREAKDOWN		\$ 5,255
MOBILE PROPERTY- Scheduled (over 25,000) &		\$5,298
Unscheduled (25,000 or less)		
FAITHFUL PERFORMANCE BOND		\$1,269
Municipal Excess Liability Coverage (\$1,000,000 Agg limit)		\$ 12,478
Municipal Liquor Liability Coverage (\$1,000,000 limit)		\$ 2,661