

RESOLUTION 18-129

**A RESOLUTION TO AUTHORIZE ANNUAL RENEWAL OF LIABILITY &
AUTO PHYSICAL DAMAGE INSURANCE WITH THE TML RISK
MANAGEMENT POOL**

WHEREAS, the City of Spring Hill obtains liability and auto physical damage insurance coverage through the TML Risk Management Pool; and

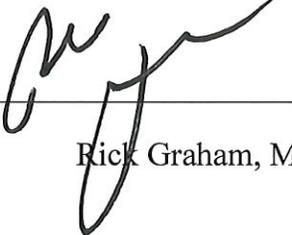
WHEREAS, the policy year has been transitioned to renew July 1st of each fiscal year; and

WHEREAS, the City of Spring Hill has received the renewal invoice for liability and auto physical damage insurance coverage for the 2018-19 fiscal year;

WHEREAS; City staff has reviewed the invoice and has made a recommendation to the Board of Mayor and Aldermen.

NOW, THEREFORE BE IT RESOLVED, that the City of Spring Hill authorizes the payment of \$207,343 for liability and auto physical damage insurance renewal with the TML Risk Management Pool.

Passed and adopted by the Board of Mayor and Aldermen of the City of Spring Hill, Tennessee on the 20th day of August, 2018.



Rick Graham, Mayor

ATTEST:



April Goad, City Recorder

April Goad, City Recorder

LEGAL FORM APPROVED:



Patrick Carter, City Attorney

Patrick Carter, City Attorney



**City of Spring Hill
Budget & Finance Advisory Committee
and
Board of Mayor and Aldermen**

**Annual Renewal of Liability Insurance with
TML Risk Management Pool**

Date: July 17, 2018

Memo to: Budget & Finance Advisory Committee and BOMA

From: Patti Amorello, Finance Director

Re: Annual Renewal of Liability Insurance with TML Risk Management Pool

RESOLUTION 18-129 – AUTHORIZE ANNUAL RENEWAL OF LIABILITY INSURANCE WITH TML RISK MANAGEMENT POOL - FINANCE DEPARTMENT.

BACKGROUND INFORMATION: The City of Spring Hill obtains liability insurance coverage through the Tennessee Municipal League Risk Management Pool. The policy renewal for liability (general, law enforcement, errors and omissions and automobile) and auto physical damage coverage has been transitioned from April to July 1st of each year. An invoice for premium renewal for liability and auto insurance has been received from the TML Pool and is due for payment.

The total annual premium for 2018-19 is \$207,343 after the \$15,869 member dividend credit. The premium for FY 2017-18 (after member dividend credits) was \$198,354.

The base premium cost before member dividend credit for 2018-19 (\$223,212) increased approximately 7% compared with last year's base premium cost (\$208,449). The member dividend credit increased from \$10,095 to \$15,869, so the net premium increase is 4.5%.

Errors and Omissions coverage increased 15% (\$6,690). E&O coverage is based upon expenditures for the year and there was an increase of nearly 18% between the two years compared. Auto Physical Damage increased 10% (\$4,445) from \$44,854 to \$49,299, primarily a result of increased vehicle values.

A breakdown of cost by fund is as follows:

General Fund	\$ 192,343.11
Water/Sewer Fund	13,645.26
MS4 (Stormwater)	<u>1,354.63</u>
Total	\$ 207,343.00

Funds are appropriated and unencumbered within the Insurance Premium line items within departments in the General, Water/Sewer and MS4 funds in the amounts set out above.

The Board of Mayor & Aldermen is requested to approve the renewal of City liability and automobile physical damage insurance and to authorize payment to the TML Risk Management Pool in the amount of \$207,343.

ATTACHMENTS: Resolution 18-129, copy of invoice dated July 2, 2018.

RECOMMENDATION: Approve Resolution 18-129 and authorize payment in the amount of \$207,343.

THE TML POOL

Tennessee's Leader in Risk Management Services

(800) 624-9698

www.thepool-TN.org

Invoice Date: 7/18/2018

Invoice Due Date: 9/1/2018

Invoice Number: 1920104-IN

SPRING HILL, CITY OF
PO BOX 789
SPRING HILL, TN 37174-0789

Location Code: 2363

Agent Number: 0000

Account Number: 20-0110400

Policy No.: TML-0326-19

Policy Period: 07/01/2018 to 07/01/2019

Billing Period: 07/01/2018 to 07/01/2019

Code	Description of Coverages	Amount
23C	GENERAL LIABILITY	\$44,428.00
26C	LAW ENFORCEMENT LIABILITY	\$33,011.00
25C	ERRORS OR OMISSIONS LIABILITY	\$50,982.00
33C	AUTOMOBILE LIABILITY	\$45,492.00
43C	AUTO PHYSICAL DAMAGE	\$49,299.00
DCL	MEMBER DIVIDEND CREDIT - LIA	\$(15,869.00)

Please send a copy of invoice
with payment to:

Total Invoice: \$207,343.00

TML RISK MANAGEMENT POOL
PO BOX 116553
ATLANTA, GA 30368-6553

FINANCE CHARGES ACCRUE AT 1.0% PER MONTH AFTER INVOICE DUE DATE