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**BILL NO. S-14-07-08**

**SPECIAL ORDINANCE NO. S- 93-19**

**AN ORDINANCE** approving the RENEWAL OF COMMERCIAL PROPERTY AND BOILER/EQUIPMENT BREAKDOWN INSURANCE POLICIES by the City of Fort Wayne, Indiana, by and through its Department of RISK MANAGEMENT and THE HARTFORD FIRE INSURANCE COMPANY.

**NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF FORT WAYNE, INDIANA;**

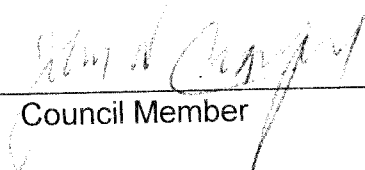
**SECTION 1.** That RENEWAL OF COMMERCIAL PROPERTY AND BOILER/EQUIPMENT BREAKDOWN INSURANCE POLICIES between the City of Fort Wayne, by and through its Department of RISK MANAGEMENT and THE HARTFORD FIRE INSURANCE COMPANY, respectfully for:

insurance coverage for Commercial Property and Boiler/Equipment Breakdown from 7/14/2014 to 07/14/2015;

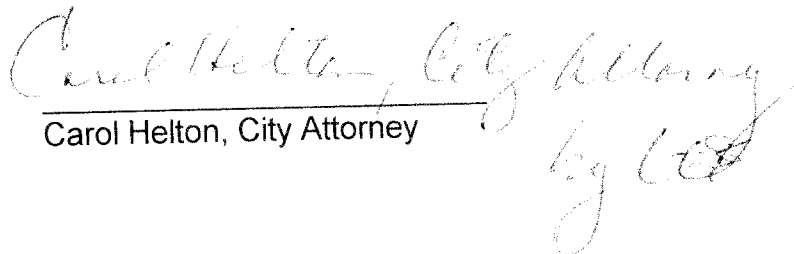
involving a total cost of FOUR HUNDRED FORTY-FOUR THOUSAND, THREE HUNDRED THIRTY-FIVE AND 00/100 DOLLARS - (\$445,335.00) all as more particularly set forth in said RENEWAL OF COMMERCIAL PROPERTY AND BOILER/EQUIPMENT BREAKDOWN INSURANCE POLICIES which are on file in the Office of the Department of Risk Management, and are by reference incorporated herein, made a part hereof, and are hereby in all things ratified, confirmed and approved.

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**SECTION 2.** That this Ordinance shall be in full force and effect from and after its passage and any and all necessary approval by the Mayor.

  
\_\_\_\_\_  
Council Member

APPROVED AS TO FORM AND LEGALITY

  
\_\_\_\_\_  
Carol Helton, City Attorney



# CITY OF FORT WAYNE

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TO: CITY OF FORT WAYNE COMMON COUNCIL  
FROM: NANCY MCAFEE, RISK MANAGEMENT  
DATE: JULY 8, 2014

On 7/9/13, Action S-13-06-09, an Ordinance approving the awarding of Renewal of Commercial Property and Boiler/Equipment Breakdown insurance policies from 7/13/13 to 7/14/14 by the COFW through Risk Management and the Hartford was passed by Council.

As last year, I am asking Council to approve the renewal of this coverage with The Hartford for an additional year, 7/14/14-7/14/15, as opposed to taking it to market. The following is my reasoning:

- 1) the program was extensively marketed last year.
- 2) The Hartford was awarded the business because they provided the broadest scope of coverage at the lowest premium cost.
- 3) Hartford agreed to guarantee the rate.
- 4) The City has incurred \$590,956 in losses within the past 3 years.
- 5) The Commercial Insurance marketplace is averaging a 2% to 3% increase in renewal rate for risks which have not had adverse loss experience.

The annual premium, effective July 14, 2013, was \$424,500-based upon property values of \$735,446,425 and a rate per \$100 of value of .0577.

The annual renewal premium, effective July 14, 2014, is \$444,335-based upon property values of \$770,079,496 and a rate per \$100 of value of .0577.

The bottom line is that taking the program to market is not in the City's best interest. The combination of the effects of the marketplace seeking an increase in rate and the adverse loss experience would result in a renewal rate higher than that which we now enjoy and which has been guaranteed!

Public Hearing Date, if applicable \_\_\_\_\_

Read the first time in full and on motion by Councilman John Crawford

Read the second time by title and referred to the Finance Committee

Committee. Read the third time in full and on motion by Councilman John Crawford, placed on passage by the following vote:

	<u>AYES</u>	<u>NAYS</u>	<u>ABSTAINED</u>	<u>ABSENT</u>
<u>TOTAL VOTES</u>	<u>9</u>	_____	_____	_____
BENDER	<u>✓</u>	_____	_____	_____
CRAWFORD	<u>✓</u>	_____	_____	_____
DIDIER	<u>✓</u>	_____	_____	_____
HARPER	<u>✓</u>	_____	_____	_____
HINES	<u>✓</u>	_____	_____	_____
JEHL	<u>✓</u>	_____	_____	_____
PADDOCK	<u>✓</u>	_____	_____	_____
SHOAFF	<u>✓</u>	_____	_____	_____
SMITH	<u>✓</u>	_____	_____	_____

DATED: 7-23-14 Sandra E. Kennedy  
SANDRA E. KENNEDY, CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as (ANNEXATION) (APPROPRIATION) (GENERAL) (SPECIAL) (ZONING) ORDINANCE (RESOLUTION) NO. S-93-14 on the 23<sup>rd</sup> day of July, 2014

ATTEST:  
Sandra E. Kennedy  
SANDRA E. KENNEDY,  
CITY CLERK

Thomas C. Bender  
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 23<sup>rd</sup> day of July, 2014, at the hour of 3:00 o'clock P.M. E.S.T.

Sandra E. Kennedy  
SANDRA E. KENNEDY, CITY CLERK

Approved and signed by me this 23<sup>rd</sup> day of July, 2014, at the hour of 4:00 o'clock P.M. E.S.T.

Thomas C. Henry  
THOMAS C. HENRY, MAYOR

BILL NO. S-14-07-08

## COMMITTEE ON FINANCE

JULY 15, 2014

*John Crawford Chair*  
*Russ Jehl, Co-Chair*  
*All Council Members*

**AN ORDINANCE** approving the Renewal of Commercial Property and Boiler/Equipment Breakdown Insurance Policies by the City of Fort Wayne, Indiana, by and through its Department of Risk Management and The Hartford Fire Insurance Company. **COMMITTEE ON FINANCE HAVE HAD** said Ordinance under consideration and beg leave to report back to the Common Council that said Ordinance

DO PASS

DO NOT PASS

ABSTAIN

NO REC

*John Crawford*  
*Russ Jehl*  
*[Signature]*

*[Signature]*

*[Signature]*

*[Signature]*

*Thomas H. [Signature]*

*[Signature]*

*[Signature]*

SANDRA E. KENNEDY  
CITY CLERK