



Memorandum / Staff Report:

To: Finance Committee
From: Robert Scott, Director of Finance and Administration
Cc: Mayor and Common Council
Date: August 9, 2023
Regarding: CVMIC Liability Insurance program renewal

Included with this memo is the renewal proposal from Cities and Villages Mutual Insurance Company (CVMIC), the City's liability insurance provider. In 2021, the Council approved a three-year commitment to the CVMIC program, running through 2024. CVMIC is now providing renewal information, including guaranteed premium levels, every two years, in order to provide member municipalities with sufficient information for budgetary planning purposes.

As previously discussed with the Committee, the partnership with CVMIC has been a successful one for the City, not only in liability insurance cost savings but also with respect to the group purchase programs for other types of insurance coverage and risk management (loss control) services provided at no additional cost. In addition, as indicated in prior years, the City's previous risk management consultant indicated their opinion that CVMIC is the City's best option for insurance coverage. The premiums quoted for 2025 and 2026 represent increases of 3% for each year.

Staff recommends that the City renew its arrangement with CVMIC at the \$50,000 self-insured retention level, and respectfully requests Finance Committee approval and recommendation to the Common Council.