

City of Glendale, AZ 2016/17 Renewal Marketing Report

Marketing to Program Underwriters

Alliant is dedicated to providing the most viable insurance coverage to City of Glendale, AZ. Below is an outline of our marketing efforts for the 2016-17 policy period

Expiring Coverage – Property

APIP

A.M. Best Rating:

A (Excellent)/Financial Size Category XV (\$2 Billion or greater)

Increase account rate by 2.53% due to loss history. Renewal account rate of .0486. Estimated annual premium is \$373,104.86.

Marketed Carriers

Liberty Mutual

A.M. Best Rating:

A (Excellent)/Financial Size Category XV (\$2 Billion or greater)

Declined to quote, not competitive

Travelers Insurance Company

A.M. Best Rating:

A++ (Superior)/Financial Size Category XV (\$2 Billion or greater)

Rate indication of .05 with an estimate premium of \$383,714.15. Terms and conditions not as broad as APIP. Does not include pollution or cyber within the premium estimate. Premium would be higher to include pollution and cyber.

Expiring Coverage – Excess Workers' Compensation

Safety National

A.M. Best Rating:

A+ (Excellent)/Financial Size Category XIII (\$1.25 Billion to \$1.5 Billion)

The exposure is 5.11% higher, the rate is 1.72% higher and the premium is 6.19% higher than last year. Estimated annual premium is \$218,277.

Safety has provide an option for a two year term with a rate guarantee and no SIR change. Premium is payable for this option annually. Safety has also provided \$5,000 in loss control fund, which can be rolled over into the second year.

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Marketed Carriers

Midwest

A.M. Best Rating:

A+ (Excellent)/Financial Size Category XV (\$2 Billion or greater)

Declined to quote, not competitive, can only do \$1M SIR or higher.

NY Magic

A.M. Best Rating:

A (Excellent)/Financial Size Category IX (250 Million to \$500 Million)

Declined to quote, not competitive - minimum SIR would be \$1,000,000 except for \$1,500,000 for presumptive claims and pricing is more than double the expiring.

Arch

A.M. Best Rating:

A+ (Excellent)/Financial Size Category XV (\$2 Billion or greater)

Declined to quote, not competitive – can't get close to the renewal premium and rate.

US Specialty Underwriters

A.M. Best Rating:

A+ (Excellent)/Financial Size Category XIV (\$1.50 Billion to \$2 Billion)

Declined to quote, not competitive

Expiring Coverage – Excess Liability

ANML

A.M. Best Rating:

A (Excellent)/Financial Size Category IX (250 Million to \$500 Million)

Increase premium by 10% for the first layer and a 3.75% decrease for the second and third layers. Program renewal premium is \$691,217.01 for a total increase of 5.22% from last year.

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Marketed Carriers

CV Starr Indemnity & Liability Company

A.M. Best Rating:

A (Excellent)/Financial Size Category XIV (\$1.50 Billion to \$2 Billion)

Current Player on the OEL and non renewing, Layer will need to be replaced.

ARCH

A.M. Best Rating:

A+ (Superior)/Financial Size Category XV (\$2 Billion or Greater)

Current Player on the OEL and pending quotes for 2nd and 3rd layers. Not to exceed of 15% on either layer – working to negotiate this down to 12% similar to primary layer. Only can provide capacity for one layer.

Responses from other carriers:

AIG – Risk Specialists	Waiting response
AXIS	Waiting response
Berkley National Insurance Company	Waiting response
Britt Insurance	Declined, Cannot compete with current pricing – Primary Layer
Berkeley Custom Ins. Managers	Waiting response
American Public Risk – AWAC Paper	Quoted third layer - \$121,000 – plus taxes and fees
Catlin	Declined, Risk does not fit within the carrier's appetite
Chubb – ACE Public Entity	Waiting response
Civic Risk – National Casualty	Declined, Cannot compete on pricing or terms
Euclid	Waiting response
Genesis	Declined, Cannot compete with current pricing
General Star	Declined, Risk does not fit within the carrier's appetite
Midlands – Markel Paper	Declined, Carrier is not approved in AZ as of today
Munich Reinsurance American Risk	Waiting response
Old Republic Specialty	Declined, Cannot compete with current pricing
One Beacon	Declined, Cannot compete with current pricing
Protected Self-Insurance (AIX Specialty)	Declined, Cannot compete with current pricing
Trident Risk Solutions (Argonaut)	Waiting response
Travelers	Waiting response

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Expiring Coverage – Crime

ACIP Crime

A.M. Best Rating:

A (Excellent)/Financial Size Category 15, greater than \$2 Billion

Flat – Renewal Premium \$28,523.

Marketed Carriers

Great American

A.M. Best Rating:

A (Superior)/Financial Size Category XIII (\$1.25 Billion to \$1.5 Billion)

Declined, cannot compete with terms or conditions. Faithful Performance maximum limit is \$1M and the minimum SIR is \$100k.

Zurich

A.M. Best Rating:

A (Superior) A (Excellent)/Financial Size Category XIV (\$1.50 Billion to \$2 Billion)

Declined, cannot compete on pricing, terms or conditions.

Hartford

A.M. Best Rating:

A (Excellent)/Financial Size Category XIV (\$2 Billion or greater)

Declined - Not a market for large public entities. Pricing is aggressive with current program.