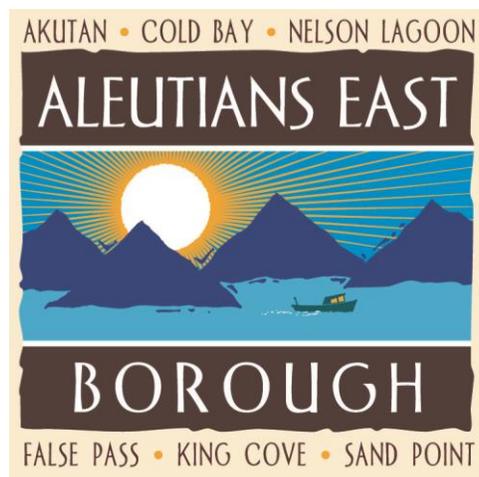


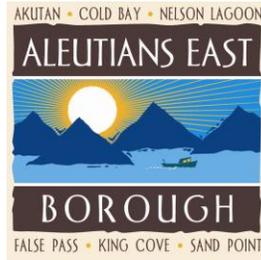
# **Aleutians East Borough Special Assembly Meeting**



**Meeting: Tuesday, June 18, 2013 – 10:00 a.m.**

# Roll Call & Establishment of a Quorum

# Adoption of Agenda



**SPECIAL ASSEMBLY MEETING**  
(material available on website: [www.aleutianseast.org](http://www.aleutianseast.org))

- Date:** Tuesday, June 18, 2013
- Time:** 10:00 a.m.
- Location:** By Teleconference in the locations below:  
King Cove AEB office  
Sand Point – AEB office  
Nelson Lagoon Corp. office  
False Pass city office  
Akutan city office  
Cold Bay city office - library  
Anchorage – 3380 C Street

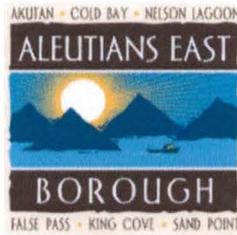
All communities will be provided with conference calling information for the designated location in your community. Public comments on agenda items will take place immediately after the adoption of the agenda.

**AGENDA ITEMS**

1. Roll Call & Establishment of Quorum
2. Adoption of the Agenda.
3. Community Roll Call and Public Comment on Agenda Items.
4. New Business:
  - Proposed insurance coverage comparison/approval of contract.
5. Next Meeting Date & Location.
6. Adjournment.

# Community Roll Call & Public Comment on Agenda Items

# New Business



## Agenda Statement

**Date of Meeting: June 19, 2013**

**To: Honorable Mayor Mack and Assembly Members**

**From: Rick Gifford, Administrator** 

**Re: Insurance Proposals**

Attached is the Risk Solutions Proposal put together by the Borough's insurance broker, Brandon Allen with Marsh & McLennan. Two proposals were received, one from Alaska Public Entity Insurance (APEI) who is the current provider and the Alaska Municipal League Joint Insurance Association (AML/JIA).

Page 13 of the Proposal provides a Premium Summary for FY14 and an optional 3 year premium. APEI has quoted a one year premium of \$128,325.28 and AML/JIA has quoted a one year premium of \$133,789.00, a difference of \$5,463.72. The APEI premium includes a dividend of \$4,918.28 if we stay with them. Without the dividend, the difference in premium is \$545.44. Both insurance pools offer incentives for staying with them for more than one year. Without the added incentive discount, the premiums are very close. However, there are some differences in coverage that needs to be pointed out.

### Property Coverage

One of the differences in the property coverage is the deductible for earthquake & flood. While APEI has the lower deductible for earthquake and flood, keep in mind that when there is a major earthquake or flood, the state and federal government will participate in funding repairs and typically covers the deductible.

Another major difference is that APEI's coverage for property is based on scheduled values while AML/JIA covers property at replacement cost. Unless the values are reappraised each year, the scheduled values can quickly fall below the replacement cost. Also note that the State of Alaska requires that school buildings be covered at replacement cost.

## **Agenda Statement**

**Meeting Date:**

**Page 2**

### General Liability & Public Officials Liability

The AML/JIA has higher limits for Cyber Liability of \$2 million versus APEI's limit of \$250,000.

Another difference is that the AML/JIA has no deductible for Employment Practices Liability whereas APEI has a \$10,000 deductible.

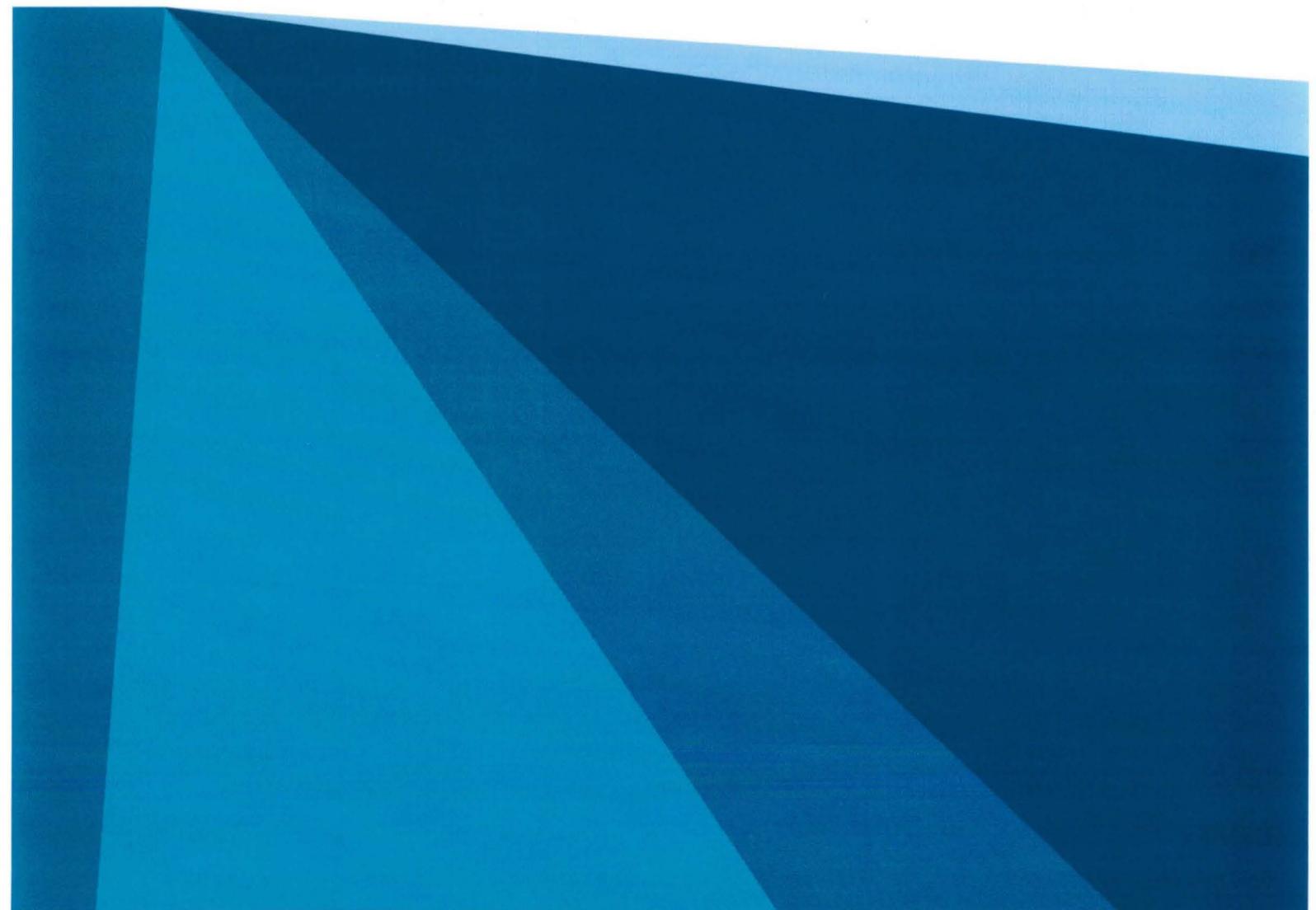
### **Recommendation**

Staff recommends that the Assembly approve purchase of insurance coverage from the Alaska Municipal League Joint Insurance Association primarily due to the difference in property coverage—replacement costs versus scheduled values. Staff also likes the loss control services provided by the AML/JIA. In addition, the school district and several of the AEB communities are with the AML/JIA and we have found it convenient to be able to work with the same insurance carrier, especially with those communities where AEB owns the port or dock and the community operates the port or dock. Staff also recommends the three year contract.

# **RISK SOLUTIONS PROPOSAL**

## **ALEUTIANS EAST BOROUGH**

JULY 1, 2013 – JULY 1, 2014



## CONTENTS

Contact Information.....	1
Account Staff.....	1
Introduction .....	2
Named Insureds – Master Listing .....	3
Property .....	4
• Property Schedule.....	5
• Equipment Schedule.....	6
General Liability & Public Officials Liability .....	7
Business Auto .....	8
• Auto Schedule.....	9
Workers' Compensation.....	10
• Payroll Schedule .....	11
Crime .....	12
Premium Summary .....	13
• Optional 3 Year Premium.....	13

## Contact Information

### Marsh & McLennan Agency LLC

1031 W 4th Avenue, Suite 400  
PO Box 107502  
Anchorage, Alaska 99510-7502

Phone: (907) 276-5617  
Fax: (907) 276-6292 / 6304

## Account Staff

Name:	Direct #	Email Address:
Jim Brady, President, Head of Office	257-6342	jim.brady@marshmc.com
Brandon Allen, CRM, Senior Vice President	257-6366	brandon.allen@marshmc.com
Roseanne Leydon, Assistant Vice President	257-6376	roseanne.leydon@marshmc.com
Dayle Mouck, Client Advisor	257-6308	dayle.d.mouck@marshmc.com
Jenny Dean, CISR, Client Representative	276-5617	jenny.dean@marshmc.com
Nancy Schaltenbrand, Client Representative	257-6313	nancy.schaltenbrand@marshmc.com

*Marsh & McLennan Agency LLC is part of the family of MMC companies, including Guy Carpenter, Marsh USA, Mercer Human Resource Consulting (including Mercer Health & Benefits, Mercer HR Services, and Mercer Global Investments), and the Oliver Wyman Group (including Lippincott and NERA Economic Consulting).*

## Introduction

The information contained herein is intended to serve only as a brief outline of your various insurance coverages. Only the insurance policies themselves determine actual coverage. To avoid misinterpretation as to the full scope of protection provided by each policy, we advise that you refer directly to the respective policies for complete details on coverage, limitations, deductibles, conditions and exclusions that apply.

Also included in this report, you will find policy numbers, dates of inception and expiration, and other pertinent information for quick reference. If additional assistance is needed regarding the materials presented herein, please contact one of your account staff for further assistance.

### YOUR ATTENTION REQUIRED - PLEASE READ CAREFULLY

We ask that you **IMMEDIATELY NOTIFY** us of any of the following types of changes:

- **ORGANIZATIONAL STRUCTURE** - Mergers, acquisitions, partnerships, new subsidiaries, joint ventures and/or other material changes to the legal status of your organization.
- **BUSINESS OPERATION** - Any change in products sold, services rendered, territories represented, operating procedures, and/or advertising distribution.
- **FORECAST AND PROJECTIONS** - Significant fluctuations in estimated sales, payroll and/or revenue.
- **ACQUISITION, SALE, LEASE, RENTAL, USE** - Pertaining to real estate, equipment, vehicles, aircraft, watercraft, and mobile equipment.
- **MAJOR FLUCTUATIONS** - Relative to inventory, accounts receivable, cash, values of transportation or cargo.
- **AGREEMENTS - ORAL OR WRITTEN** - During the normal course of operating you may sign leases, contracts or other agreements which may transfer serious financial obligation to your organization.

We will rely exclusively upon you to inform us of changes such as these, when they occur in your organization, or, if possible, before they occur. Many insurance policies do not contain fully automatic coverages for new acquisitions, increased exposures, material changes in business operations or properties. There may be limitations and exclusions that apply. Once informed of the changes, we will assist in obtaining the extension of coverage that provides your organization with the full, adequate protection necessary for your changing operations.

## Named Insureds – Master Listing

Named Insured:	Contact/Mailing Address:
<b>Aleutians East Borough</b>	<p>Rick Gifford Borough Administrator 3380 C Street., Suite 205 Anchorage, Alaska 99503 907-274-7566 ph 907-276-7569 fax <a href="mailto:rgifford@aeboro.org">rgifford@aeboro.org</a></p> <p><u>Alternate Contact</u> Anne Bailey Receptionist/Grant Assistant 3380 C Street., Suite 205 Anchorage, Alaska 99503 907-274-7555 ph 907-276-7569 fax <a href="mailto:abailey@aeboro.org">abailey@aeboro.org</a></p>

## Property

	2013-2014 Proposed Coverage	2013-2014 Proposed Coverage
<b>Carrier:</b>	Alaska Public Entity Insurance	AML/JIA
<b>A.M. Best:</b>	Not Rated	Not Rated
<b>Effective Date:</b>	07/01/2013 to 07/01/2014	07/01/2013 to 07/01/2014
<b>Policy No:</b>	TBD	TBD
<b>Coverage:</b>	All-Risk Property including Earthquake and Flood Buildings, Contents, EDP, Mobile Equipment, Fine Arts, Boiler & Machinery	All-Risk Property including Earthquake and Flood Buildings, Contents, EDP, Mobile Equipment, Fine Arts, Boiler & Machinery
<b>Limit:</b>	<u>Property Limits</u> <ul style="list-style-type: none"> <li>☐ \$ 54,273,188 Building</li> <li>☐ \$ 5,870,463 Contents/EDP</li> <li>☐ \$ 155,067 Mobile Equipment</li> <li>☐ \$ 12,141,737 Docks, Piers, Harbors</li> <li>☐ \$ 0 Fine Arts</li> <li>☐ \$ 50,000,000 Boiler &amp; Machinery</li> <li>☐ \$ 50,000,000 Earthquake &amp; Flood Each <ul style="list-style-type: none"> <li>▪ Occurrence &amp; Aggregate</li> </ul> </li> <li>☐ \$ 100,000,000 Per Occurrence Limit</li> <li>☐ \$ inc Crime (See pg 12)</li> </ul>	<u>Property Limits</u> <ul style="list-style-type: none"> <li>☐ \$ 54,273,188 Building</li> <li>☐ \$ 5,870,463 Contents/EDP</li> <li>☐ \$ 155,067 Mobile Equipment</li> <li>☐ \$ 12,141,737 Docks, Piers, Harbors</li> <li>☐ \$ 0 Fine Arts</li> <li>☐ \$ 100,000,000 Boiler &amp; Machinery</li> <li>☐ \$ 50,000,000 Earthquake</li> <li>☐ \$ 175,000,000 Flood</li> <li>☐ \$ 500,000 Crime</li> </ul>
<b>Deductible:</b>	<u>Property Deductibles</u> <ul style="list-style-type: none"> <li>☐ \$ 25,000 Buildings</li> <li>☐ \$ 5,000 Mobile Equipment as scheduled</li> <li>☐ \$ 10,000 Boiler &amp; Machinery</li> <li>☐ \$ 10,000 Contents/EDP</li> <li>☐ \$ 25,000 Docks/Piers/Harbors (except Cold Bay Dock is \$5,000)</li> <li>☐ \$ 25,000 Other Structures</li> <li>☐ \$ 25,000 Earthquake &amp; Flood</li> </ul>	<u>Property Deductibles</u> <ul style="list-style-type: none"> <li>☐ Per Schedule on File-Buildings/Contents/EDP/Docks</li> <li>☐ \$ 5,000 Mobile Equipment as scheduled</li> <li>☐ \$10,000/50,000/100,000/250,000/350,000 Boiler &amp; Machinery</li> <li>☐ 2%/\$100,000 Minimum Earthquake</li> <li>☐ \$ 100,000/250,000 Flood</li> <li>☐ \$ 10,000 Crime</li> </ul>
<b>Valuation:</b>	Agreed Amount	Agreed Amount
<b>Premium Basis:</b>	Scheduled Values by Location (TIV = \$72,440,455)	Scheduled Values by Location (TIV = 72,440,455)
<b>Endorsements:</b>	Per the Policy	Per the Policy
<b>Audit Provisions:</b>	The insured must report any material changes in the exposure, additions, deletions, or other changes in scheduled values.	The insured must report any material changes in the exposure, additions, deletions, or other changes in scheduled values.
<b>Compensation:</b>	Per Client Service Agreement	Per Client Service Agreement
<b>Premium:</b>	\$ 100,084.93 \$ 97,027.55 with 3 yr agreement	\$ 88,435.00 \$ 84,013.25 with 3 yr agreement

## Property Schedule

Property	Building	Contents	EDP	Bus Int	TIV	Deductible
Akutan School	\$ 5,038,425	\$ 488,646	\$ 50,000	\$ -	\$ 5,577,071	\$ 25,000
Cold Bay Dock (City pays ded. Difference)	\$ 8,627,500	\$ -	\$ -	\$ -	\$ 8,627,500	\$ 5,000
Cold Bay Duplex	\$ 438,336	\$ -	\$ -	\$ -	\$ 438,336	\$ 25,000
Cold Bay School	\$ 3,905,438	\$ 426,565	\$ 75,000	\$ -	\$ 4,407,003	\$ 25,000
Cold Bay Terminal Bldg	\$ 5,228,000	\$ 523,150	\$ 10,000	\$100,000	\$ 5,861,150	\$ 25,000
False Pass School	\$ 3,355,742	\$ 205,087	\$ 50,000	\$ -	\$ 3,610,829	\$ 25,000
King Cove Office	\$ 256,010	\$ 11,897	\$ 17,000	\$ -	\$ 284,907	\$ 25,000
Nelson Lagoon Dock	\$ 3,514,237	\$ -	\$ -	\$ -	\$ 3,514,237	\$ 25,000
Nelson Lagoon School	\$ 2,465,064	\$ 249,789	\$ 75,000	\$ -	\$ 2,789,853	\$ 25,000
New King Cove School	\$ 14,999,692	\$1,295,024	\$200,000	\$ -	\$ 16,494,716	\$ 25,000
Office - Contents Only	\$ 0	\$ 100,000	\$100,000	\$ -	\$ 200,000	\$ 10,000
Sand Point 4-Plex	\$ 1,747,964	\$ 104,630	\$ 20,000	\$ -	\$ 1,872,594	\$ 25,000
Sand Point Bus Barn	\$ 185,350	\$ 10,000	\$ -	\$ -	\$ 195,350	\$ 25,000
Sand Point Office	\$ 876,484	\$ 28,328	\$130,657	\$ -	\$ 1,035,469	\$ 25,000
Sand Point School	\$ 15,720,683	\$1,409,690	\$280,000	\$ -	\$ 17,410,373	\$ 25,000
San Point Hatchery	\$ 56,000	\$ 10,000			\$ 66,000	\$ 5,000
	<b>\$66,414,925.00</b>	<b>\$4,862,806.00</b>	<b>\$1,007,657.00</b>	<b>\$100,000</b>	<b>\$72,385,388</b>	

## Equipment Schedule

Item #	Description	Serial #	Value
01	2003 Tri-Max Mobile Firefighting	N/A	\$ 0
02	2005 Caterpillar Telehandle	23A11014	\$25,000
03	2012 WorkSkiff 21'M Series Skiff w/ Honda Outboard Motor	MGN21M14G212 / BF115XCA	\$80,067
04	2004 Caterpillar TH560B Telehandler	SLG00751	\$50,000
<b>Total Equipment Value:</b>			<b>\$155,067</b>

## General Liability & Public Officials Liability

	2013-2014 Proposed Coverage	2013-2014 Proposed Coverage
<b>Carrier:</b>	Alaska Public Entity Insurance	AML/JIA
<b>A.M. Best:</b>	Not Rated	Not Rated
<b>Effective Date:</b>	07/01/2013 to 07/01/2014	07/01/2013 to 07/01/2014
<b>Policy Number:</b>	TBD	TBD
<b>Coverage:</b>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Commercial General Liability-Occurrence Form</li> <li><input type="checkbox"/> Employee Benefit Liability-Occurrence Form</li> <li><input type="checkbox"/> Employment Practices Liability-Occurrence Form</li> <li><input type="checkbox"/> Sewer Backup</li> <li><input type="checkbox"/> Specialty Equipment (ATV's, Snowmobiles &amp; Watercraft) Liability</li> <li><input type="checkbox"/> Cyber Liability</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Commercial General Liability-Occurrence Form</li> <li><input type="checkbox"/> Employee Benefit Liability-Occurrence Form</li> <li><input type="checkbox"/> Employment Practices Liability-Claims Made Form</li> <li><input type="checkbox"/> Sewer Backup</li> <li><input type="checkbox"/> Specialty Equipment (ATVs, Snowmobiles &amp; Watercraft up to 27 feet) Liability</li> <li><input type="checkbox"/> Cyber Liability</li> </ul>
<b>Limit:</b>	<p><u>Commercial General Liability</u></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> \$15,250,000 Each Occurrence</li> <li><input type="checkbox"/> \$15,250,000 Each Occurrence Employee Benefit Liability</li> </ul> <p><u>Public Officials Liability</u></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> \$15,250,000 Each Occurrence</li> </ul> <p><u>Employment Practices Liability</u></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> \$15,250,000 Each Occurrence</li> </ul> <p><u>Cyber Liability</u></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> \$ 250,000 Each Occurrence</li> </ul>	<p><u>Commercial General Liability</u></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> \$15,000,000 Each Occurrence</li> <li><input type="checkbox"/> \$15,000,000 Each Occurrence Employee Benefit Liability</li> </ul> <p><u>Public Officials Liability</u></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> \$15,000,000 Each Occurrence</li> </ul> <p><u>Employment Practices Liability</u></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> \$15,000,000 Each Occurrence</li> <li><input type="checkbox"/> 50% of reasonable legal fees /costs incurred as a result of employment related administrative hearings, subject to \$10k max.– Defense Reimbursement Program</li> </ul> <p><u>Cyber Liability</u></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> \$ 2,000,000 Cyber Liability (Includes \$1M notification for compromised info)</li> </ul>
<b>Deductible:</b>	<ul style="list-style-type: none"> <li><input type="checkbox"/> \$ NIL Commercial General Liability</li> <li><input type="checkbox"/> \$ 10,000 Sewer Backup</li> <li><input type="checkbox"/> \$ NIL Employee Benefit Liability</li> <li><input type="checkbox"/> \$ 10,000 Law Enforcement Liability</li> <li><input type="checkbox"/> \$ NIL Public Officials Liability</li> <li><input type="checkbox"/> \$ 10,000 Employment Practices Liability</li> <li><input type="checkbox"/> \$ 2,500 Cyber Liability</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> \$ NIL Commercial General Liability</li> <li><input type="checkbox"/> \$ 10,000 Sewer Backup</li> <li><input type="checkbox"/> \$ NIL Employee Benefit Liability</li> <li><input type="checkbox"/> \$ NIL Public Officials Liability</li> <li><input type="checkbox"/> \$ NIL Employment Practices Liability</li> </ul>
<b>Premium Basis:</b>	Varies by Classification	Varies by Classification
<b>Endorsement:</b>	Per the Policy	Per the Policy
<b>Audit:</b>	Annual Audit – General Liability	Annual Audit – General Liability
<b>Compensation:</b>	Per Client Service Agreement	Per Client Service Agreement
<b>Premium:</b>	\$ 7,997.94 \$ 7,653.77 with 3 yr agreement	\$ 17,670.00 \$ 16,786.50 with 3 yr agreement

## Business Auto

	2013-2014 Proposed Coverage	2013-2014 Proposed Coverage
<b>Carrier:</b>	Alaska Public Entity Insurance	AML/JIA
<b>A.M. Best:</b>	Not Rated	Not Rated
<b>Effective Date:</b>	07/01/2013 to 07/01/2014	07/01/2013 to 07/01/2014
<b>Policy Number:</b>	TBD	TBD
<b>Coverage:</b>	<ul style="list-style-type: none"> <li>☐ Automobile Liability-Occurrence Form</li> <li>☐ Uninsured/Underinsured Motorists Coverage</li> <li>☐ Hired/Non-Owned Auto Liability, excess of primary provider</li> <li>☐ Comprehensive &amp; Collision</li> </ul>	<ul style="list-style-type: none"> <li>☐ Automobile Liability-Occurrence Form</li> <li>☐ Uninsured/Underinsured Motorists Coverage</li> <li>☐ Hired/Non-Owned Auto Liability, excess of primary provider</li> <li>☐ Comprehensive &amp; Collision</li> </ul>
<b>Limit:</b>	<p><u>Liability</u></p> <ul style="list-style-type: none"> <li>☐ \$15,250,000 Each Occurrence</li> </ul> <p><u>Uninsured/Underinsured Motorist Liability</u></p> <ul style="list-style-type: none"> <li>☐ \$ 250,000 Each Occurrence</li> </ul> <p><u>UI/UIM Motorist Physical Damage</u></p> <ul style="list-style-type: none"> <li>☐ \$ 25,000 Each Occurrence</li> </ul> <p><u>Comprehensive &amp; Collision</u></p> <p>Actual Cash Value</p>	<p><u>Liability</u></p> <ul style="list-style-type: none"> <li>☐ \$15,000,000 Each Occurrence</li> </ul> <p><u>Uninsured/Underinsured Motorists</u></p> <ul style="list-style-type: none"> <li>☐ \$ 1,000,000 Each Occurrence</li> </ul> <p><u>Comprehensive &amp; Collision</u></p> <p>Actual Cash Value for each and every loss provided value and location are scheduled</p>
<b>Deductible:</b>	<ul style="list-style-type: none"> <li>☐ \$ NIL Liability/UM/UIM</li> <li>☐ \$ 500 Comp/Collision</li> <li>☐ \$ NIL Hired/Non-Owned</li> </ul>	<ul style="list-style-type: none"> <li>☐ \$ NIL Liability/UI/UIM</li> <li>☐ \$ NIL Comp/Collision/Hired/Non-Owned</li> </ul>
<b>Premium Basis:</b>	Scheduled Autos	Scheduled Autos
<b>Endorsements:</b>	Per the Policy	Per the Policy
<b>Reporting Provision:</b>	The insured must report any material changes in the exposure, additions, deletions, or other changes in scheduled autos.	The insured must report any material changes in the exposure, additions, deletions, or other changes in scheduled autos.
<b>Compensation:</b>	Per Client Service Agreement	Per Client Service Agreement
<b>Premium:</b>	\$ 3,000.00 \$ 2,850.00 with 3 yr agreement	\$ 3,890.00 \$ 3,695.50 with 3 yr agreement

## Auto Schedule

Year	Make / Model	VIN #	Comp/ Coll
1994	Ford Bus	1FDKE30G7RHA36805	No
1997	Dodge Pickup	1B7HC16X1VS167189	No
2005	Mazda Tribute	4F2CZ94145KM15067	No
2005	Mazda Tribute	4F2YZ92Z55KM11236	No
2005	Chevrolet 4500	1GBE4E3245F509876	No
2007	Ford 172 SD Crew Cab SRW 4x4	1FTWW31P17EA75986	No
2008	Ford E350 Passenger Van	1FBNE31L88DB50836	No
2012	EZ Loader Boat Trailer	1ZEAAMSH4CA013499	No
2012	WorkSkiff 21' M Series Skiff w/ Honda Outboard	MGN21M14G212	No
2012	Dodge Ram 2500 Crew Cab	3C6UD5HL8CG142542	No

## Workers' Compensation

	2013-2014 Proposed Coverage	2013-2014 Proposed Coverage
<b>Carrier:</b>	Alaska Public Entity Insurance	AML/JIA
<b>A.M. Best:</b>	Not Rated	Not Rated
<b>Effective Date:</b>	07/01/2013 to 07/01/2014	07/01/2013 to 07/01/2014
<b>Policy Number:</b>	TBD	TBD
<b>Coverage:</b>	<u>Workers' Compensation</u> □ Including Employer's Liability	<u>Workers' Compensation</u> □ Including Employer's Liability
<b>Limit:</b>	<u>Workers' Compensation</u> □ Statutory Limits	<u>Workers' Compensation</u> □ Statutory Limits
	<u>Employer's Liability</u> □ \$1,000,000 Each Occurrence	<u>Employer's Liability</u> □ \$2,500,000 Each Occurrence
<b>Deductible:</b>	<u>Workers' Compensation</u> □ NIL	<u>Workers' Compensation</u> □ NIL
	<u>Employer's Liability</u> □ NIL	<u>Employer's Liability</u> □ NIL
<b>Premium Basis:</b>	Schedule Payrolls	Schedule Payrolls
<b>Rate:</b>	Varies by Classification	Varies by Classification
<b>Endorsements:</b>	Per the Policy	Per the Policy
<b>Compensation:</b>	Per Client Service Agreement	Per Client Service Agreement
<b>Reporting Provisions:</b>	The insured must report any material changes in the exposure, additions, deletions, or other changes in scheduled payrolls.	The insured must report any material changes in the exposure, additions, deletions, or other changes in scheduled payrolls.
<b>Premium:</b>	\$ 7,160.73 \$ 6,802.68 with 3 yr agreement	\$ 8,794.00 \$ 8,354.30 with 3 yr agreement

## Payroll Schedule

WC Class Code	APEI Class Code Description	2013-2014 Payroll Estimates	2013-2014 Rates
7711	Firefighters & Drivers - Volunteers	\$ 0	\$ 0.0000
8810	Clerical, Professional, Elected Officials	\$ 690,753	\$ 0.4322
9015	Building, Operators, Owners, Lease	\$ 75,624	\$4.8565
9410	General Municipal Employees Other	\$ 20,000	\$2.5136
	<b>Total</b>	<b>\$ 786,377</b>	
	Experience Modifier		1.01

WC Class Code	AML/JIA Class Code Description	2013-2014 Payroll Estimates	2013-2014 Rates
7395	Diving - Marine	\$ 0	\$ 7.27
7711	Firefighters & Drivers~Volunteers	\$ 0	\$ 7.88
9410	Engineers	\$ 20,000	\$ 3.09
8810	Clerical, Professional, Elected Officials	\$ 690,753	\$ 0.53
9015	Building, Operators, Owners, Lease	\$ 75,624	\$ 5.97
	<b>Total</b>	<b>\$ 786,377</b>	
	Experience Modifier		1.04

## Crime

	2013-2014 Proposed Coverage	2013-2014 Proposed Coverage
<b>Carrier:</b>	<b>Alaska Public Entity Insurance</b>	<b>AML/JIA</b>
<b>Best's Rating:</b>	<b>Not Rated</b>	<b>Not Rated</b>
<b>Effective Date:</b>	7/01/2013 to 7/01/2014	7/01/2013 to 7/01/2014
<b>Policy Number:</b>	<b>Incl. in Property</b>	<b>Incl. in Property</b>
<b>Coverage:</b>	<u>Crime</u> <input type="checkbox"/> Public Entity Crime Coverage Occurrence Form	<u>Crime</u> <input type="checkbox"/> Public Entity Crime Coverage Occurrence Form
<b>Limit:</b>	<input type="checkbox"/> \$250,000 Each Occurrence	<input type="checkbox"/> \$500,000 Each Occurrence
<b>Deductible:</b>	<input type="checkbox"/> \$ 2,500	<input type="checkbox"/> \$ 10,000
<b>Endorsements:</b>	Per the Policy	Per the Policy
<b>Compensation:</b>	Per Client Service Agreement	Per Client Service Agreement
<b>Premium:</b>	<b>Included in Property</b>	<b>Included in Property</b>

## Premium Summary

Coverage Line	APEI 2013-2014 Premium	AML/JIA 2013-2014 Premium
Property	\$ 100,084.93	\$ 88,435.00
Boiler & Machinery	\$ incl in Property	\$ incl in Property
General Liability	\$ 7,997.94	\$ 17,670.00
Business Auto	\$ 3,000.00	\$ 3,890.00
Workers' Compensation	\$ 7,160.73	\$ 8,794.00
Crime	\$ incl in Property	\$ incl in Property
Broker Fee	\$ 15,000.00	\$ 15,000.00
Dividend	\$ -4,918.32	-0-
<b>TOTAL:</b>	<b>\$ 128,325.28</b>	<b>\$ 133,789.00</b>

## Optional 3 Year Premium

Coverage Line	APEI 2013-2014 Premium	AML/JIA 2013-2014 Premium
Property	\$ 97,084.93	\$ 84,013.25
Boiler & Machinery	\$ incl in Property	\$ incl in Property
General Liability	\$ 7,653.77	\$ 16,786.50
Business Auto	\$ 2,850.00	\$ 3,695.50
Workers' Compensation	\$ 6,802.68	\$ 8,354.30
Crime	\$ incl in Property	\$ incl in Property
Broker Fee	\$ 15,000.00	\$ 15,000.00
Dividend	\$ -4,918.32	-0-
<b>TOTAL:</b>	<b>\$ 124,473.06</b>	<b>\$ 127,849.55</b>



**MARSH & McLENNAN  
AGENCY**

Marsh & McLennan Agency, LLC  
1031 W. 4<sup>th</sup> Avenue, Suite 400  
Anchorage, Alaska 99501  
907-276-5617

# Adjournment