

# CITY of REPUBLIC

*Established 1871*

Exhibit L

## AGENDA ITEM STAFF ANALYSIS

**Project/Issue Name:** Discussion and Possible Vote to Accept Proposal for Workers' Compensation Insurance.

**Submitted By:** Aubrey Harris, Director of Finance

**Date:** March 12, 2007

### Issue Statement

The City's workers' compensation insurance expires March 31, 2007, and must be renewed for the period April 1, 2007, thru March 31, 2008.

### Discussion and/or Analysis

Renewal from our current carrier, Missouri Rural Services Workers' Compensation Insurance Trust, is \$74,430 a decrease of \$3,254 from our premium for 2006. Our experience rating factor decreased from .86 to .85 which is very good. Also, the dividend from Missouri Rural has increased from \$9,905 to \$18,768. Of the 11 industry code classifications used, the City had decreases in all areas.

The annual premium was \$138,933. With the application of the 85% experience modification and the 25% deviation factor reduction the premium dropped to \$88,570. With the addition of \$4,628 in administrative add-ons and the application of the dividend the total effective premium payable is \$74,430. Based on this rate, other bids were not requested.

The City's current agent of record with Missouri Rural Services Workers' Compensation Insurance Trust is C. Alan Reid.

### Staff Recommendation

I respectfully recommend that the Board of Aldermen accept the proposal from Missouri Rural Services Workers' Compensation Insurance Trust in the amount of \$74,430 and that C. Alan Reid remain the agent of record.