

# City of Santa Fe City Council Meeting Risk Management/Insurance Renewal

2026/27



## Executive Summary

- **The premium for the 26/27 Property Program had 6.5% reduction. The carrier has offered a two-year rate guarantee.**
- **The Property Limit increased to \$300,000,000. This eliminated the need to purchase excess property insurance, saving the City approximately \$85,000.**
- **The General Liability Coverage and Law Enforcement Liability retentions reduced to \$750,000. This retention reflects a 50% decrease since 2024.**
- **The Automobile Physical Damage policy saw a decrease to premium due to reduced exposures for contractors' equipment.**
- **Separate Terrorism coverage was purchased this year**



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# City of Santa Fe Insurance Program

**Insurance Provides Protection to Property, Liability, Human Resources Exposures and Budget.**

- **Property** including Equipment Breakdown
- Property SFUAD
- Automobile Physical Damage
- Contractors Equipment
- Fine Arts
- Crime
- Terrorism

**Human Resources  
Excess Workers'  
Compensation**

- **Liability** includes General, Automobile
- Law Enforcement, Public Officials, Employment Practices and Employee Benefits Liability
- Storage Tank Liability
- Pollution Legal Liability (SFSWMA)
- Pollution Legal Liability
- Cyber Liability
- Fiduciary Liability
- Airport Liability

# Recommended Structure for Property

\$300M



We obtained a \$300,000,000 limit per Occurrence from AIG this year. The carrier has also offered a two year policy term to stabilize the rates for 2027.



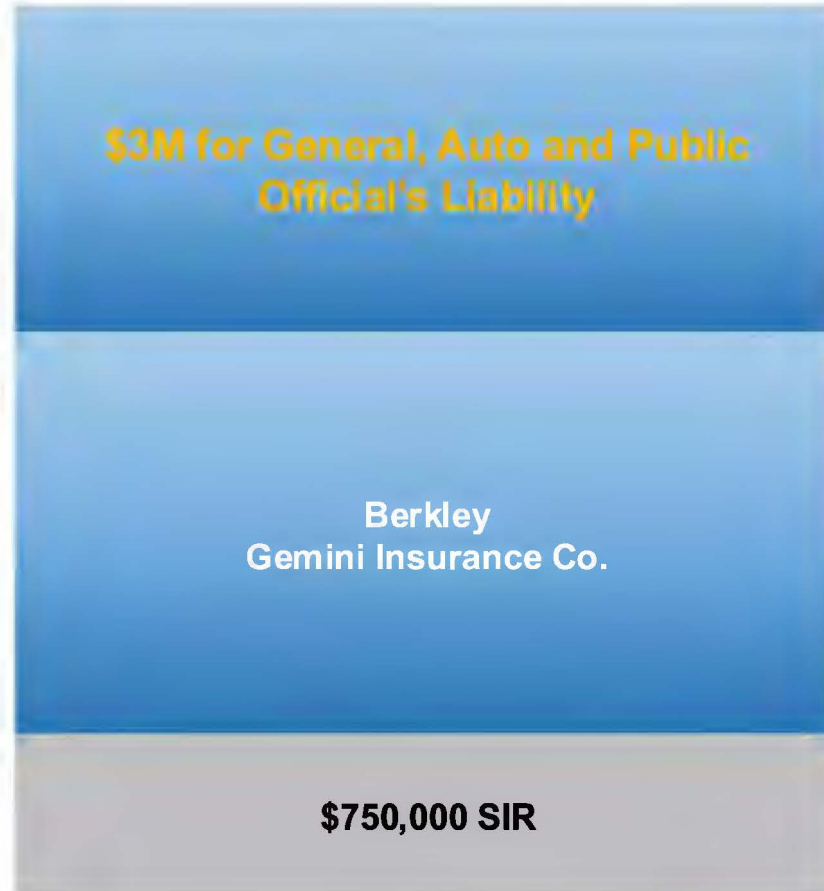
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# City of Santa Fe Property & Liability Program

## Excess Liability

## Insurance



Public Officials,  
Employment  
Practices and  
Employee Benefits  
Liability are Claims  
Made  
Retro Date is  
3/1/03



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# City of Santa Fe Property & Liability Program

**Law Enforcement  
Liability Insurance**





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# City of Santa Fe Property & Liability Program

## Auto Physical Damage & Contractors Equipment

**\$10,000,000 Catastrophe Limit**

### **Hanover Insurance Co.**

Coverage Extensions \$50,000  
Pollutant Clean Up \$25,000  
Towing and Labor \$25,000  
Rental Reimbursement \$500 per day

**\$25,000 Deductible**



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## City of Santa Fe Excess Worker's Compensation

Midwest  
Statutory

Deductibles

\$750,000 Police/Firefighters  
\$1,500,000 Wildland Per Employee  
\$600,000 All Other

We are switching carriers to Midwest and were able to get a premium reduction of 36.55%. The carrier has also offered a two year policy term to stabilize the rates for 2027.

# Premium Summary

LINE OF COVERAGE		EXPIRING PROGRAM	PROPOSED	Notes
Property Including & Equipment Breakdown	Premium	\$507,000.00	\$474,080.00	
	Taxes	\$15,225.21	\$14,236.62	
	<b>Estimated Cost</b>	<b>\$522,225.21</b>	<b>\$488,316.62</b>	
	TIV	\$483,557,020	\$500,197,675	
	<b>Change</b>		<b>-6.5%</b>	
Business Auto including Physical Damage & Inland Marine	Premium	\$224,155.00	\$201,230.00	Auto PD ONLY & Equipment
	<b>Estimated Cost</b>	<b>\$224,155.00</b>	<b>\$201,230.00</b>	
	<b>Change</b>		<b>-10.23%</b>	
Excess Liability including	Premium	\$1,200,000.00	\$1,498,000.00	\$3mm limit; \$750,000 SIR
	Taxes	\$36,036.00	\$44,984.94	
	<b>Estimated Cost</b>	<b>\$1,236,036.00</b>	<b>\$1,542,984.94</b>	
	<b>Change</b>		<b>25%</b>	
Law Enforcement	Premium	\$746,569.00	\$935,550.00	\$3mm limit; \$750,000 SIR Reduced retention from \$1mm
	Taxes	\$27,569.62	\$28,095.00	
	<b>Estimated Cost</b>	<b>\$774,138.62</b>	<b>\$963,645.00</b>	
	<b>Change</b>		<b>25%</b>	

# Premium Summary

LINE OF COVERAGE		EXPIRING PROGRAM	PROPOSED	Notes/Options
<b>Fiduciary Liability</b>	Premium	\$11,300.00	\$11,300.00	
	<b>Estimated Cost</b>	<b>\$11,300.00</b>	<b>\$11,300.00</b>	
<b>Storage Tank Liability</b>	Premium	\$14,643.00	\$4,523.00	Removed BDD tanks and those located on Siler Road Total 6 tanks removed
	<b>Estimated Cost</b>	<b>\$14,643.00</b>	<b>\$4,523.00</b>	
	<b>Change</b>		<b>-69%</b>	
<b>Inland Marine - Fine Arts<sup>1</sup></b>	Premium	\$5,870.00	\$5,870.00	
	<b>Estimated Cost</b>	<b>\$5,870.00</b>	<b>\$5,870.00</b>	
<b>Excess Workers' Compensation</b>	Premium	\$417,683.00	\$265,002.00	Midwest Employers Premium: \$265,002
	<b>Estimated Cost</b>	<b>\$417,683.00</b>	<b>\$265,002.00</b>	
<b>Safety National</b>	Payroll	\$114,748,029	\$93,211,970	Written on 2 year policy term
	Rate	.364	.3422	
	Retention	Police/Fire: \$750K Wildland: \$1,000,000 All others: \$600K	Police/Fire: \$750K Wildland: \$1,500,000 All others: \$600K	
	<b>Change</b>		<b>-36.55%</b>	
<b>Aviation Liability<sup>2</sup></b>	Premium	\$14,164.00	\$14,164.00	Multi-Year Policy (installment 2)
	<b>Estimated Cost</b>	<b>\$14,164.00</b>	<b>\$14,164.00</b>	
<b>Pollution Legal Liability (city properties)</b>	Premium	\$134,000.00	\$137,000.00	
	Taxes	\$4,384.53	\$4,114.11	
	<b>Estimated Cost</b>	<b>\$138,384.53</b>	<b>\$141,114.11</b>	
	<b>Change</b>		<b>1.97%</b>	

# Premium Summary

LINE OF COVERAGE		EXPIRING PROGRAM	PROPOSED	Notes
Cyber Liability	Premium	\$59,741.00	\$56,880.00	\$2mm limit; \$100,000 SIR
	Taxes	\$2,618.05	\$2,532.13	
	<b>Estimated Cost</b>	<b>\$62,359.05</b>	<b>\$59,412.13</b>	
	<b>Change</b>		<b>-4.73%</b>	
Crime	Premium	\$8,065.00	\$8,065.00	
	<b>Estimated Cost</b>	<b>\$8,065.00</b>	<b>\$8,065.00</b>	
Property - SFUAD	Premium	\$411,312.00	\$337,440.00	
	Taxes	\$12,712.22	\$10,494.00	
	<b>Estimated Cost</b>	<b>\$424,024.22</b>	<b>\$347,933.82</b>	
	<b>Change</b>		<b>-18%</b>	
Terrorism	Premium		\$22,860.00	
	Taxes		\$1,686.49	
	<b>Estimated Cost</b>		<b>\$23,546.49</b>	
<b>Total Premium</b>		<b>\$4,019,477.73</b>	<b>\$4,077,107.11</b>	<b>1.43% Increase</b>

<sup>1</sup>Coverage for Fine Arts for ALL locations owned and operated by City; Deductible \$1,000 and \$5,000 for outdoor sculptures.

<sup>2</sup>Total accounts for \$750K retention for Excess Liability, \$750K retention for LEL, and Midwest option for EWC

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Gallagher Public Sector



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