



City of Santa Fe, New Mexico

Memorandum



DATE: June 30, 2025

TO: Governing Body

VIA: Mark Scott, City Manager

FROM: Andrea Phillips

RE: Request for Approval-Renewal of Comprehensive Insurance Program for Plan Year 2025-26

Arthur J. Gallagher (“Contractor”) was selected through a competitive RFP process (#25127) to serve as the City’s broker for comprehensive insurance coverage. The City’s plan year is July 1 to June 30 and each year the City must renew these policies. Funding for the premiums is budgeted in FY 2026. At the June 25, 2025 meeting, the Governing Body authorized the professional services contract with the Contractor for a four-year period. The Contractor will present the quotes received from carriers for various lines of insurance and will discuss the plan limits and premiums for the upcoming plan year.

Staff is seeking approval from the Governing Body on the selected lines of insurance and premiums for the 2025-26 plan year and authorizing the binding of the insurance agreements through the broker. The City is partially self-insured, with SIR (self-insured retention) amounts for each policy.

Overall, premiums are down from FY 2025, or a -9.43% decrease. Last year’s premiums totaled \$4,372,167.14 and the estimated total for the upcoming plan year is \$3,959,968.57 should these coverages be selected by the City. The City continues to make strides in identifying and addressing risk issues to reduce exposure and claims.

Proposed Insurance Coverages and Premiums include:

Property including B & M- <i>AIG Specialty Insurance Co.</i>	\$ 522,225.71
Excess Property- <i>Mitsui Sumitomo Insurance Co. of America</i>	98,680.00
Automobile and Inland Marine- <i>Hanover Insurance Co.</i>	175,135.00
Excess Liability- <i>Gemini Insurance Co. & Lexington</i>	2,010,174.62*
Fiduciary Liability- <i>National Union Fire Insurance Co.</i>	11,300.00
Storage Tank Liability- <i>Ace American Insurance Co. of Pittsburgh</i>	14,643.00
Excess Workers’ Compensation- <i>Safety National Casualty Company</i>	417,683.00
Airport Liability- <i>Starr Indemnity</i>	14,164.00
Environmental (pollution) Liability (City)- <i>Evanston Insurance Company</i>	138,384.53
Environmental Liability (Solid Waste)- <i>Evanston Insurance Company</i>	56,654.00
Fine Art- <i>StarNet Insurance Company</i>	5,870.00
Cyber Liability- <i>Palomar Excess and Surplus Insurance Co.</i>	62,975.00
Crime- <i>National Union Fire Insurance Co.</i>	8,065.00
SFUAD-various	424,024.21
Total Premiums	\$ 3,959,968.57

*Law enforcement through Lexington at \$774,138 and non-law enforcement through Gemini at \$1,236,036

**SFUAD—Santa Fe University of Art and Design (Midtown Campus) -various coverages for property and excess property

ACTION REQUESTED:

The City Manager/Risk Management respectfully requests your review and approval for binding these coverages with the final premium for the plan year 2025-2026 for a not to exceed amount of \$3,959,968.57.

FUNDING SOURCE:

Fund Name/Number: Risk Management Fund and other Enterprise Funds

ATTACHMENTS:

Arthur J. Gallagher Executive Summary

Arthur J. Gallagher Program Proposal Renewal Quotes