

PUBLIC WORKS - INSURANCE DIVISION

This division is responsible for the administration of the City's General Liability, Property and Vehicle Insurance Programs. Cost of vehicle insurance is budgeted in the Garage Division Budget, to help us better recognize total fleet cost and allow for the allocation of that cost between the departments. Responsibilities include fiscal and claims management along with accident investigation. Day to day responsibilities are handled by the Assistant Public Works Director and Office Assistant II which are funded in the Administration Division budget.

Revenue: There are no revenues budgeted for this division.

Personnel: This division does not have any full time personnel budgeted. As noted in the overview the Assistant Public Works Director and Office Assistant II handle the day to day operations of this division and are funded in the Administration Division Budget.

Operations: The lines of coverage reflected in this budget are projections only and will be verified toward the end of May, but we feel that if there is any adjustment in projections it would be slightly downward. The increases in cost of coverage we are projecting reflects an increase in the city's overall exposures, an increase in overall city budget and an experience rating based upon our claims. Due to the losses incurred by the insurance industry over the past several years there continues to be a struggle to find a balance between coverage cost and a reasonable deductible for our property coverage. The deductible for property damage this year is proposed to be \$75,000 for all perils for any named storms and \$2,500 for any other losses. With the continued uncertainty of world and national situations the insurance industry continues to struggle and as is seen above, are very much concerned with the possibility of losses. Underwriters for municipal coverage are becoming harder to find and at some point the NC League Risk Pool may be our best opportunity for insurance coverage, but we have not had much luck over the past couple of years, in raising their interest in even quoting us, as they feel their efforts to compete in the past were always to no avail. We have had good service through the years dealing with the open market and at this time seems to best meet our needs.

This division has handled many claims and incidents over the past year and worked with the different departments to insure our interests as well as the interests of those we serve have been met and are dealt with fairly. We feel the levels of coverage in place are adequate for our exposures and with continued emphasis on claims management and employee awareness, we expect to hold the line on insurance costs. This division will work to operate within the limit of funds budgeted, continue to monitor claims and work with all departments to reduce exposures wherever possible.

Capital: No capital expenditures are budgeted for this division.

City of New Bern Budget
Fiscal Year 2009 - 2010

Fund: General Number of Full-Time Equivilant Employees: 5
 Department: Public Works Number of New Positions Requested 0
 Division: Insurance

Account Number	Description	Lyr	Act To Dte	Current	Estimate	Request	Recomm
1111-8020-61101-710	Salaries & Wages Regular	0	0	0	0	0	0
1111-8020-61121-710	Salaries & Wages Overtime	0	0	0	0	0	0
1111-8020-61181-710	Salaries & Wages Taxable	0	0	0	0	0	0
Salaries Sub-Total		0	0	0	0	0	0
1111-8020-62110-710	Social Security Tax	0	0	0	0	0	0
1111-8020-62112-710	Medicare Tax	0	0	0	0	0	0
1111-8020-62210-710	State Retirement	0	0	0	0	0	0
1111-8020-62220-710	401K Supplemental Retirer	0	0	0	0	0	0
1111-8020-62810-710	Health/Life Insurance	0	0	0	0	0	0
Fringe Benefits Sub-Total		0	0	0	0	0	0
Personnel Services		0	0	0	0	0	0
1111-8020-71190-710	Other Professional Services	0	0	0	0	0	0
Professional Services		0	0	0	0	0	0
1111-8020-72130-710	Employee Travel & Training	0	0	250	0	0	0
Current Oblig. & Ser.		0	0	250	0	0	0
1111-8020-73310-710	Property & Equipment	85,234	82,685	84,323	82,685	109,281	109,281
1111-8020-73312-710	Liability Insurance	343,111	376,276	375,339	376,276	369,175	369,175
1111-8020-73330-710	Bonding	12,255	12,255	12,400	12,255	10,255	10,255
1111-8020-73340-710	Insurance Claims	35,358	38,714	50,000	50,000	50,000	50,000
Fixed Chgs & Oth.Ser.		475,958	509,930	522,062	521,216	538,711	538,711
1111-8020-74610-710	Office Supplies & Material	0	0	100	50	50	50
1111-8020-74910-710	Other Supplies & Material	267	0	100	50	50	50
1111-8020-74930-710	IT Supplies	1,500	0	0	0	0	0
1111-8020-74994-710	Storm Supplies - Isabel	0	0	0	0	0	0
Supplies & Materials		1,767	0	200	100	100	100
1111-8020-75120-750	IT Equipment	0	0	0	0	0	0
1111-8020-75190-750	Other Equipment	0	0	0	0	0	0
Capital Expenses		0	0	0	0	0	0
1111-8020-76410-710	Payments Made on Agreem	0	0	0	0	0	0

City of New Bern Budget
 Fiscal Year 2009 - 2010

Account Number	Description	Lyr	Act.	Act To Dte	Current	Estimate	Request	Recomm
Contracts,Grants, Alloc.		0	0	0	0	0	0	0
1111-8020-77101-790	I/P Principal Payments	0	0	0	0	0	0	0
1111-8020-77201-795	I/P Interest Payments	0	0	0	0	0	0	0
Installment Payments		0	0	0	0	0	0	0
Insurance TOTALS:		477,725	509,930	522,512	521,316	538,811	538,811	538,811