



## STAFF REPORT

**Report To:** Board of Supervisors      **Meeting Date:** June 18, 2026

**Staff Contact:** Sheri Russell-Benabou, Chief Financial Officer

**Agenda Title:** For Possible Action: Discussion and possible action regarding insurance agreements for a total aggregate premium not to exceed \$1,598,272 to be paid from the Insurance Fund and to be entered into with: (1) the Nevada Public Agency Insurance Pool ("POOL") for property coverage, liability coverage, cyber liability coverage and pollution liability coverage (excluding the landfill) for Fiscal Year ("FY") 2027 for a premium not to exceed \$1,581,476; and (2) Great American Insurance Company ("Great American") for crime and employee dishonesty coverage for FY 2027 for a premium not to exceed \$16,796. (Sheri Russell-Benabou, srussell@carsoncity.gov).

**Agenda Action:** Formal Action / Motion      **Time Requested:** Consent

### Proposed Motion

I move to approve the agreements as presented.

### Board's Strategic Goal

Efficient Government

### Previous Action

June 20, 2025 (Item 11C) – The Board of Supervisors (“Board”) approved insurance agreements for a total aggregate premium not to exceed \$1,632,182 with (1) POOL (property, liability, cyber and pollution, excluding landfill) and Great American (crime and employee dishonesty) for FY 2026 and (2) Lloyds of London (landfill pollution) for FY 2026 and FY 2027.

June 20, 2024 (Item 16D) - The Board approved FY 2025 insurance agreements with POOL (property, liability, cyber and pollution, excluding landfill) and Great American (crime and employee dishonesty) for a total aggregate premium not to exceed \$1,517,390.

June 15, 2023 (Item 17C) - The Board approved insurance agreements for a total aggregate premium not to exceed \$1,445,136 with (1) POOL (property, liability, cyber and pollution, excluding landfill) and Great American (crime and employee dishonesty) for FY 2024 and (2) Lloyds of London (landfill pollution) for FY 2024 and FY 2025.

### Background/Issues & Analysis

In FY 2026, the insurance listed in the agenda title was placed with POOL and Great American, and staff is recommending renewing the insurance with POOL and Great American. If approved, the POOL and Great American coverage premiums will decrease the City's total renewal costs by \$3,453, a 0.2%

decrease, from FY 2025.

The POOL is not rated by A.M. Best and includes coverage provided through captives and rated reinsurance providers. Great American is Rated A+ (Superior) by A.M. Best with adjusted policyholder surplus exceeding \$2 billion.

Insured natural catastrophe losses were expected to exceed \$100 billion for the sixth consecutive year in 2025, according to Swiss Re. This was 24% lower than 2024 (thanks to a quiet hurricane season) and 3% below the ten-year average. The U.S. property/ casualty (P/C) industry recorded a \$13.7 billion underwriting gain for the first six months of 2025 according to NAIC – following a 25.3 billion gain for the full year in 2024. The industry’s combined ratio of losses and expenses improved to 96.4% for the first half of 2025 and is expected to remain in this range for the full year. Although property rates have improved, rates for casualty, auto and excess still face upward pressure.

City-insured values, which include buildings and contents, mobile equipment and vehicles, increased 15% this year, following review and updates of various assets to reflect current replacement cost.

The City's current program provides property coverage for the City’s buildings, contents, vehicles and mobile equipment with coverage including terrorism. The program also provides coverage for earthquake and flood coverage, pollution liability (excluding landfill) and cyber liability insurance. A separate, two-year pollution policy was placed for the landfill last year covering FY 2026 and FY 2027.

The POOL provides broad coverage with access to \$150 million in shared limits for earthquake and flood, subject to a \$25 million flood zone shared limit. Regardless of the cause of loss, the property deductible is \$100,000 per event.

The POOL provides cyber coverage with a 10% deductible (up to \$25,000) and environmental liability coverage with a \$25,000 deductible. The cyber deductible only applies if the member does not comply with cybersecurity recommendations.

Other important information to understand about the POOL coverage is this:

- \$500,000,000 occurrence limit for property coverage subject to a deductible of \$100,000 and vehicle physical damage subject to a \$100,000 deductible.
- \$150,000,000 for boiler and machinery coverage subject to a deductible of \$100,000.
- \$150,000,000 shared aggregate for earthquake coverage subject to a deductible of \$100,000.
- \$150,000,000 shared aggregate for flood coverage subject to a deductible of \$100,000.
- \$25,000,000 shared aggregate for High Hazard Flood locations in A and V Zones subject to a \$250,000 per occurrence deductible.
- \$2,000,000 limit of pollution liability (excluding landfill liability) for the City with a deductible of \$25,000.
- \$1,000,000 aggregate limit of cyber liability, subject to a shared program aggregate of \$15,000,000, for the City with a 10% deductible (up to \$25,000).

**Applicable Statute, Code, Policy, Rule or Regulation**

NRS 332.115

**Financial Information**

**Is there a fiscal impact?** Yes

**If yes, account name/number:** Insurance Fund, Insurance Premiums Expense 5900745-500512

**Is it currently budgeted? Yes**

**Explanation of Fiscal Impact:** \$1,863,846 is budgeted for insurance premiums for FY 2027, which is a 10% increase from the budget last year. Total insurance premiums for FY 2027 discussed above will be approximately \$1,598,272. This is a 0.2% decrease in overall insurance program costs from the prior fiscal year for the same policies. There are also renewing two-year policy premiums approved by the Board last June, and public official bond premiums in the same budget.

**Alternatives**

Do not approve the agreements and/or provide alternative direction to staff.

**Attachment(s):**

[Carson\\_City\\_-\\_Property\\_\\_\\_Casualty\\_Renewal\\_Summary\\_2026-27\\_Rev\\_6-9-26.pdf](#)

Motion: \_\_\_\_\_

- 1) \_\_\_\_\_
- 2) \_\_\_\_\_

Aye/Nay

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(Vote Recorded By)