



business insurance | personal insurance | specialty insurance | employee benefits

**Request for Proposal
For
Insurance Service Agent**

**City of Shakopee
485 Gorman Street
Shakopee, MN**

Presented by:

**Ronald L. Youngdahl
Carl Bennetsen
Trent Youngdahl**

**Corporate Four Insurance Agency
7220 Metro Boulevard
Edina, MN 55439
952-893-9218 Main
952-893-9402 Fax**

**CITY OF SHAKOPEE
PROPERTY/CASUALTY AND WORKERS' COMPENSATION
AGENT OF RECORD RFP RESPONSE FORM**

INFORMATION ON THE FIRM	
Name of Firm: Corporate Four Insurance Agency	
Address: 7220 Metro Blvd. Edina, MN 55439	
Telephone Number of Office: 952-893-9218	FAX Number: 952-893-9492
Describe your firm's experience and expertise regarding public entity risks. Corporate Four Insurance is a Minnesota based agency that has been an industry leader and innovator since 1988. There are about 62 agents and support staff. Total agency premiums are about \$63,550,000 including \$32,325,700 commercial premiums. Public Sector Clients insured through the LMCIT include: City of Champlin & EDA, Elk River and Elk River Municipal Utilities (Electric & Water) and the Cities of Eagan, Brooklyn Center & EDA, Prior Lake, Victoria, Shorewood, Spring Lake Park, Albertville, Deephaven, Orono, Becker, Hanover, East Bethel, plus Joint Powers SBM Fire Department, Anoka-Champlin Fire Dept, Hennepin County Violent Offenders Task Force and St. Albans Bay Lake Improvement District (LID). Our entire Public Entity Team are licensed Property/Casualty insurance agents (see attached "Personnel Information"): Ron Youngdahl, Account Executive - Team Leader, has over 25 years of municipal insurance experience. Carl Bennetsen, Account Executive -Public Entity, has over 25 years of municipal insurance experience, and formerly was a Liberty Mutual Safety/Loss Control Representative. Trent Youngdahl, Agent, is a graduate of Gustavus Adolphus who works with Ron Youngdahl. Deb Stoffel, CISR, is our Commercial Services Manager with 36 years of experience. Affiliations: Mn. Government Finance Officers Assoc. and MN Public Risk Managers Assoc. Public Entity Markets: League of MN Cities Insurance Trust, Travelers, and specialty carriers for Special Events Liability and Weather Insurance, Volunteer Fire Fighter AD&D, etc. Errors & Omissions Legal Liability Coverage: \$5,000,000 each loss/\$5,000,000 aggregate.	

Describe the steps you would take in reviewing our current programs and designing changes in the program. Including specific techniques and procedures your firm may use to assist in identifying current and anticipated new loss exposures to the City.

Our Public Entity Team municipal service plan is tailored to each City's risk management needs, with emphasis on loss cost containment, and includes our unique group of services within the service fee:

- **Onsite Insurance Audit** - City facilities, vehicles and equipment for coverage gaps, overlaps and premium rating errors.
- **Property/Casualty & Work Comp Claim Experience Modifications**- analyze for accuracy.
- **Risk Retention/Deductible Premium Analysis** – Workers' Comp and Property & Casualty.
- **Online LMCIT Renewal Application Assistance** – Work Comp and Property & Casualty.
- **Premium and Coverage Summary**- tailored for city budget/audit allocation.
- **Review of City Contractual Agreements** – indemnity and insurance related city exposures reviewed in conjunction with LMCIT's Risk Management Attorney.
- **Municipal Coverage Checklist** – city's insurance choices: covered versus not covered, for an informed coverage decision.

Our LMCIT pre-renewal service approach will be to:

1. Review your current LMCIT Property/ Liability coverage and schedules (property and auto) for the purpose of avoiding coverage gaps, errors and oversights.
2. Review the latest LMCIT Professional Property Replacement Cost Appraisal of buildings and Contents for coverage gaps, errors in rating, and valuation.
3. Do our **Onsite Insurance Audit** of your buildings, facilities, vehicles and equipment based on items 1. and 2.
4. Our LMCIT Online Property/Casualty Renewal Support Program will make your future renewal process simpler and time saving.
5. Complete a Property/Casualty Risk Retention Analysis (See attached exhibits)
6. Review your LMCIT Workers Compensation Audit codes and payrolls for errors.
7. Review your Workers Compensation claims prior to the Experience Modification Rating cutoff date, for the purpose of closing or reducing reserves on open claims.
8. Provide a Workers Compensation analysis of the LMCIT's Deductible Rating Plans.

Corporate Four will perform the following standard services:

- Assist the City in requesting LMCIT Contract Review Services for evaluating Municipal agreements and City contracts for insurance concerns.
- Advise and assist the city with assembling the underwriting data, for the renewal rating process.
- Advise and assist the city on evaluation and selecting among coverage alternatives such as deductibles, limits, optional coverages, alternative coverage forms, etc.
- Review coverage documents and invoices to assure coverage has been correctly issued and billed.
- Advise the city on potential gaps or overlaps in coverages.
- Assist the city in identifying risk exposures and developing appropriate strategies to address those exposures.

Our Agency will be responsible for the “Scope of Work” as described in the City’s Request for Proposals:

1. Advise and assist the City and the EDA in assembling and accurately reporting underwriting data, including updating values, for rating purposes and completing the LMCIT renewal forms based on the data supplied by the City and the EDA.
2. Advise and assist the City and the EDA in evaluating and selecting among coverage alternatives such as deductibles, limits, optional coverage, alternative coverage forms, etc. Advise the City and EDA on potential gaps or overlaps in coverage.
3. Review the LMCIT insurance policies for completeness and accuracy. Confirm that the policies have been updated with the new data supplied during the renewal process.
4. Provide explanations of insurance coverage, coverage options and make recommendations as requested.
5. Conduct quarterly review of open claims. Review claim reserves for appropriateness.
6. Assist the City in identifying risk exposures and developing appropriate strategies to address those exposures.
7. Issue certificates of insurance as needed.
8. Assist as requested with safety and loss control activities.
9. Perform other duties customarily handled by an insurance agent and agreed upon by both the City and agent.

The above service approach is intended as a starting point. The City and the agent will review the services in the “Corporate Four Agent Services” exhibit to determine which specific services would benefit the City’s needs and situations.

What services would you classify within the fee income and what services would you classify outside the fee income?

Policy Period	Fee (City)
August 1, 2020 to July 31, 2021	\$ 12,000
August 1, 2021 to July 31, 2022	\$ 12,000
August 1, 2022 to July 31, 2023	\$ 12,000

Includes an option for three additional one (1) year terms with a \$12,000 fee.

The annual fee is \$12,000 for services provided by employees of Corporate Four Insurance Agency. This annual fee is guaranteed for each of the three years of the contract, and the three additional one year renewal terms, subject to the final Fee Agreement terms.

The initial annual fee is payable upon execution of the Agreement and is fully earned as of that date. Insurance coverage with insurers other than the League of MN Cities Insurance Trust may include commissions. All services as described are included, with additional services subject to negotiation.

See “References” attachment.

**CITY OF SHAKOPEE
PROPERTY/CASUALTY AND WORKERS' COMPENSATION
AGENT OF RECORD RFP RESPONSE FORM**

PERSONNEL INFORMATION	
Names, professional qualifications and educational background of the Account Executives and key support personnel who would be responsible for your account:	
<u>Account Executive - Team Manager</u> Ron Youngdahl Corporate Four rly@ronyoungdahl.com 952-963-0432	Licensed Property & Casualty/ Workers Compensation agent. Graduate University of Minnesota, B.S. Finance & Management. Founder of R.L. Youngdahl & Associates/Minnesota Risk Services that specialized in Workers Compensation loss prevention and claims management. Specializes in Commercial Insurance for businesses and public entity clients. Ron has been involved with municipal clients for 25 years.
<u>Account Executive - Public Entity</u> Carl Bennetsen Corporate Four cbennetsen@corporatefour.com 952-896-9526	Licensed Property & Casualty/ Workers Compensation agent. University of Missouri, B.S. in Business – Industrial Management & Accounting Former Liberty Mutual Safety/Loss Control Representative. Has worked with municipalities for over 30 years, and the LMCIT since it started. Dedicated agent for public entity accounts.
<u>Account Executive</u> Trent Youngdahl Corporate Four tyoungdahl@corporatefour.com 952-896-9500	Licensed Property and Casualty/Workers Compensation agent for personal and business insurance, including public entities. Graduate of Gustavus Adolphus College majoring in economics and finance.
<u>Customer Service Agent/Commercial Services Mgr.</u> Deborah (Deb) Stoffel, CISR Corporate Four DStoffel@corporatefour.com 952-896-9515	Licensed Property & Casualty/ Workers Compensation agent. Certified Insurance Service Representative (CISR), with 36 years experience. Services for public entities include coverage changes and updates, certificates of insurance and Auto ID cards.
<u>Employee Benefit Specialist</u> Mary Jo Hoff, CIC Corporate Four mjhoff@corporatefour.com 952-896-9524	Certified Insurance Counselor (CIC). Employee benefits programs These services are available separately and are not included in the fee agreement.

**CITY OF SHAKOPEE
PROPERTY/CASUALTY AND WORKERS' COMPENSATION
AGENT OF RECORD RFP RESPONSE FORM**

REFERENCES

1. Entity: **City of Champlin**

Coverage/ Service: **Insurance Agent of Record – Property/Casualty and Workers Compensation**

Contact:

Name: **Shelly Peterson, Finance Director**

Address: **11955 Champlin Drive
Champlin, MN 55316-2379**

Tel: **(763) 421-8000**

2. Entity: **City of Elk River**

Coverage/ Service: **Insurance Agent of Record- Property/Casualty and Workers Compensation**

Contact:

Name: **Lori Ziemer, Finance Director**

Address: **13065 Orono Parkway
Elk River, MN 55330**

Tel: **(763) 635-1022**

3. Entity: **City of Eagan**

Coverage/ Service: **Insurance Agent of Record- Property/Casualty**

Contact:

Name: **Tom Pepper, Finance Director**

Christina Scipioni, City Clerk

Address: **3830 Pilot Knob Road
Eagan, MN 55122**

Tel: **(651) 675-5000**

4. Entity: **City of Prior Lake**

Coverage/ Service: **Insurance Agent of Record- Property/Casualty and Workers Compensation**

Contact:

Name: **Cathy Erickson, Finance Director**

Address: **4646 Dakota Street SE
Prior Lake, MN 55372**

Tel: **(952)447-9842**

5. Entity: **City of Brooklyn Center**

Coverage/ Service: **Insurance Agent of Record- Property/Casualty and Workers Compensation**

Contact:

Name: **Mark Ebensteiner, Finance Director**

Nancy Emmerich, Accountant

Address: **6301 Shingle Creek Parkway
Brooklyn Center, MN 55430**

Tel: **(763)569-3000**

CORPORATE FOUR PUBLIC ENTITY TEAM
Exhibits

I. General Profile

- A. Professional Affiliations and Mission Statement

II. Agency Services Exhibits

- A. Municipal Coverage Checklist
- B. Property/Casualty Risk Retention Analysis
- C. Workers Compensation Retrospective Plan Analysis

CORPORATE FOUR PUBLIC ENTITY TEAM

PROFESSIONAL ASSOCIATION MEMBERSHIPS AND EDUCATION

MN Government Finance Officers Association

The mission is to promote excellence and leadership in the government finance profession by providing quality educational opportunities.

Minnesota PRIMA (Public Risk Management Association)

Its stated purpose is to provide practical and current information on Risk Management and Safety issues.

LMCIT Safety and Loss Control Workshop

An insurance agent's agenda of pertinent information to help inform client Cities with the latest insurance coverage and claims.

OUR MISSION

- To provide the City with the most cost-effective insurance program in conjunction with the League of Minnesota Cities Insurance Trust (LMCIT).
- To do this by working with the City to customize a program that will enhance the value of the LMCIT coverage.
- To provide a unique value added Agency program that is service driven and risk-management oriented.
- To accomplish the above with the dedication of our Agency team's long term experience and knowledge of City exposure and the LMCIT coverage.

MUNICIPAL COVERAGE CHECKLIST*

City of _____

Coverage Dates: _____

Coverage Symbols: Y = Client has Coverage N = No Coverage

PROPERTY

	Y	N
Buildings	☐	☒
Contents	☒	☐
Mobile Property	☐	☒
Property In Open	☐	☒
Builders Risk to 2 Million	☐	☒
Replacement Cost	☒	☐
Terrorist Activity	☒	☐
Flood LMCIT Limited Cov.	☐	☒
Loss of Revenue	☒	☐
Accounts Receivable	☒	☐
Valuable Papers	☒	☐
Petro-fund Reimbursement	☒	☐

EQUIPMENT BREAKDOWN

Boiler & Machinery	☐	☒
Computer Equipment	☐	☒
Computer Media/Data	☐	☒
Income Loss/Extra Expense	☐	☒
Ice Rink Buried Pipe	☐	☒

CRIME

Money/Securities/Forgery	☒	☐
Bond-Faithful Performance	☐	☒

MUNICIPAL LIABILITY

Tort Limits-Waived	☐	☒
Claims Made Liability	☒	☐
Fire Damage-Legal	☒	☐
Medical Expenses	☒	☐
Mold Limited Coverage	☒	☐
Pollution Liability-Limited	☒	☐
Products/Completed Ops	☒	☐
Data Security Breach Liab.	☒	☐
Land Use Regulation	☒	☐
Fireworks Display	☐	☒
No Fault Sewer Backup	☐	☒
Public Officials E&O	☒	☐
Employment Related Liab.	☒	☐

AUTOMOBILE

	Y	N
Tort Limits-Waived	☐	☒
Claims Made Liability	☒	☐
Owned Units	☐	☒
Hired/Non-Owned Liability	☒	☐
IUM/UM Liability	☐	☒
Garage Liability	☐	☒
Garage Keepers	☐	☒
Seized Vehicle Phys. Damage	☐	☒

WORKERS COMPENSATION

Minnesota Statutory	☒	☐
Employers Liability	☒	☐
Infectious Disease Testing	☒	☐
Peace Officer Stress Benefits	☒	☐
Elected Officials Covered	☐	☒
Board & Commissions (Listed)	☐	☒
Retro-rating Option	☐	☒
Medical Deductible Option	☐	☒

EXCESS LIABILITY

Limit \$ <u>1,000,000</u>	☒	☐
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OTHER

Liquor MN Statutory	☐	☒
Loc:		
Defense Cost Reimbursement	☐	☒
_____	☐	☐
_____	☐	☐

City of _____

Signature: _____

Print Name: _____

Title: _____

Date: _____

Corporate Four Insurance Agency

Signature: _____

Print Name: Ronald Youngdahl

Title: Account Executive

Date: _____

*The coverage afforded by the LMCIT Covenants described herein is subject to all the terms, limits, exclusions and conditions of such.

CORPORATE FOUR INSURANCE AGENCY
PROPERTY/CASUALTY RISK RETENTION ANALYSIS
FOR

CITY OF "Sample" 2020

Property/Casualty Insurance

Premium Basis \$650,711 with \$1,000 Minimum Deductible

Minimum Deductible: \$1,000

Premium Basis: \$650,711

Policy Year	Deductible Payable	Total Cost
9/1/2014-2015	\$20,387	\$671,098
9/1/2015-2016	\$29,120	\$679,831
9/1/2016-2017	\$28,707	\$679,418
9/1/2017-2018	\$24,510	\$675,221
9/1/2018-2019	\$22,357	<u>\$673,068</u>
	Total:	\$3,378,636
9/1/2019-2020	\$23,276	\$678,987

Current Deductible: \$25,000/\$150,000/\$1,000

Premium Basis: \$425,362

Policy Year	Deductible Payable	Total Cost
9/1/2014-2015	\$78,909	\$504,271
9/1/2015-2016	\$94,684	\$520,046
9/1/2016-2017	\$80,275	\$505,303
9/1/2017-2018	\$127,941	\$553,303
9/1/2018-2019	\$67,417	<u>\$492,779</u>
	Total:	\$2,576,036
9/1/2019-2020	\$149,487	\$574,849

Optional Deductible: \$50,000/\$100,000/\$1,000

Premium Basis: \$408,388

Policy Year	Deductible Payable	Total Cost
9/1/2014-2015	\$89,078	\$497,466
9/1/2015-2016	\$100,000	\$508,388
9/1/2016-2017	\$80,275	\$488,663
9/1/2017-2018	\$100,000	\$508,388
9/1/2018-2019	\$67,417	<u>\$475,805</u>
	Total:	\$2,478,710
9/1/2019-2020	\$100,000	\$508,388

CORPORATE FOUR INSURANCE AGENCY
EXAMPLE: RISK RETENTION/DEDUCTIBLE ANALYSIS

Workers' Compensation Retrospective Rating Options

Net Discounted Premium (NDP): \$359,839

Option #1

Minimum Premium \$147,486 (Factor .364)
Maximum Premium \$526,735 (Factor 1.300)
2010 Special Compensation Fund (Factor 22.43)
Non-Retro Discounted Premium (NDP) \$359,839

Historical Basis (Loss Runs as of 1/1/2020):

Policy Year	Min. Premium	Medical Pd. /Res	Indemnity Pd./Res	SCF Factor	Retrospective Premium
2015	\$ 147,486	+ \$ 44,544	+ (\$ 12,732	+ \$ 2,856)	= \$ 207,618
2016	\$ 147,486	+ \$ 104,568	+ (\$ 14,795	+ \$ 3,319)	= \$ 270,168
2017	\$ 147,486	+ \$ 22,845	+ (\$ 12,637	+ \$ 2,834)	= \$ 185,802
2018	\$ 147,486	+ \$ 44,013	+ (\$ 7,080	+ \$ 1,588)	= \$ 200,167
2019	\$ 147,486	+ \$ 76,388	+ (\$ 10,305	+ \$ 2,311)	= \$ 236,490
NDP	\$ 147,486	+ \$ 212,353	+ Total, Medical, Indemnity & SCF		= \$ 359,839
Max	\$ 147,486	+ \$ 379,249	+ Total, Medical, Indemnity & SCF		= \$ 526,735

Option #2

Minimum Premium \$ 124,796 (Factor .308)
Maximum Premium \$607,772 (Factor 1.500)
2010 Special Compensation Fund (Factor 22.43)
Non-Retro Discounted Premium (NDP) \$359,839

Historical Basis (Loss Runs as of 1/1/2020):

Policy Year	Min. Premium	Medical Pd. /Res	Indemnity Pd./Res	SCF Factor	Retrospective Premium
2015	\$ 124,796	+ \$ 44,544	+ (\$ 12,732	+ \$ 2,856)	= \$ 184,928
2016	\$ 124,796	+ \$ 104,568	+ (\$ 14,795	+ \$ 3,319)	= \$ 247,478
2017	\$ 124,796	+ \$ 22,845	+ (\$ 12,637	+ \$ 2,834)	= \$ 163,112
2018	\$ 124,796	+ \$ 44,013	+ (\$ 7,080	+ \$ 1,588)	= \$ 177,477
2019	\$ 124,796	+ \$ 76,388	+ (\$ 10,305	+ \$ 2,311)	= \$ 213,800
NDP	\$ 124,796	+ \$ 235,043	+ Total, Medical, Indemnity & SCF		= \$ 359,839
Max	\$ 124,796	+ \$ 482,976	+ Total, Medical, Indemnity & SCF		= \$ 607,772