



Shoreline City Hall  
17500 Midvale Avenue North  
Shoreline, Washington 98133  
(206) 801-2230

## **SHORELINE CITY COUNCIL SPECIAL MEETINGS NOTICE**

As required by RCW 42.30, the Open Public Meetings Act, you are hereby notified of the following Shoreline City Council Special Meeting

**Date and Time:** **Monday, September 19, 2022**  
**5:45 p.m. to 6:45 p.m.**

**Meet at:** **Conference Room 440 · Shoreline City Hall**  
**17500 Midvale Avenue North**  
**Shoreline, WA 98133**

**Via Zoom:**

**<https://us02web.zoom.us/j/81822509045>**

**Telephone: 253-215-8782**

**Webinar ID: 818 2250 9045**

The purpose of this meeting is for the Council to meet with the Executive Staff of the Washington Cities Insurance Authority.

Dated this 13th Day of September, 2022.

Jessica Simulcik Smith  
City Clerk



City of Shoreline | 17500 Midvale Avenue North | Shoreline, WA 98133  
Phone 206-801-2700 | Email: [clk@shorelinewa.gov](mailto:clk@shorelinewa.gov) | [www.shorelinewa.gov](http://www.shorelinewa.gov)

*Meetings are conducted in a hybrid format with both in-person and virtual options to attend.*

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	<u>Page</u>	<u>Estimated Time</u>
<b>1. CALL TO ORDER SPECIAL MEETING</b>		5:45
<b>2. ROLL CALL</b>		
<b>3. WCIA TRAINING</b>		
<b>4. ADJOURN</b>		6:45

*Any person requiring a disability accommodation should contact the City Clerk's Office at 206-801-2230 in advance for more information. For TTY service, call 206-546-0457. For up-to-date information on future agendas, call 206-801-2230 or visit the City's website at [shorelinewa.gov/councilmeetings](http://shorelinewa.gov/councilmeetings).*



## Memorandum

**DATE:** September 14, 2022

**TO:** City Councilmembers

**FROM:** Debbie Tarry, City Manager

**RE:** Dinner Meeting with Washington Cities Insurance Authority (WCIA)

**CC:** John Norris, Assistant City Manager  
Sara Lane, Administrative Services Director

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On Monday, September 19, 2022, the City Council will have a Dinner Meeting with Ann Bennett, Executive Director, and Rob Roscoe, Deputy Director, from the Washington Cities Insurance Authority (WCIA).

WCIA is a municipal organization of Washington public entities that join together for the purpose of providing liability and property financial protection to its members. Formed in 1981, as the first liability risk pool in Washington State, WCIA has provided over 40 years' experience in comprehensive Coverages, Claims Administration, Financial Stability, and Risk Management Services. WCIA has evolved from the original nine members to a financially strong liability and property pool of over 165 members, with one common goal; to assist members in managing risk. The City of Shoreline has been a member of WCIA since incorporation.

WCIA staff will provide more information about the insurance pool, guidance for the City Council and your legislative role and how to avoid potential liability claims, and updates regarding current insurance industry trends including the escalation of annual financial assessments for WCIA members.

Attached you will find a summary of the City's 2022 WCIA Insurance Coverage (Attachment A) and Shoreline's Risk Profile dated April 25, 2022 (Attachment B). The Risk Profile is for loss data between 3/31/2017 and 3/31/2022.

## 2022 WCIA Insurance Coverage Summary

Member: City of Shoreline

### LIABILITY PROGRAM

#### Liability Joint Protection Program

Auto Liability, General Liability, Police Liability, Errors or Omissions Liability, Employment Practices Liability, Employee Benefit Liability and Stop-Gap Liability. 100% occurrence form.

<b>Layer:</b>	<b>Limits:</b>
Self-Insured Layer Limit	\$4M per Occurrence
Reinsured Layer – Governmental Entities Mutual (GEM)	\$2M per Occurrence
Reinsured Layer – GEM 90% & WCIA 10%	\$5M per Occurrence
Reinsured Layer – Applied 50%, Upland 25%, Bermuda (Ark & Arcadian) 25%	\$4M per Occurrence and per Member Aggregate and \$20M Pool Aggregate
Reinsured Layer – Allied World Assurance Company	\$5M per Occurrence and per Member Aggregate and \$25M Pool Aggregate
<b>Total Limit:</b>	\$20M per Occurrence, subject to aggregates and sub-limits.

**Deductible:**   *All members are in the liability program, however if a deductible is listed the member is subject to it.*

*This member is currently listed in the following programs if a deductible is listed or the box is marked:*

### PROPERTY PROGRAM

#### Property Joint Protection Program

WCIA self-insures (pools) the first \$750,000 of covered perils other than flood and earthquake. We purchase and follow a Lloyd's of London policy with the limits provided below.

<b>Limits:</b>	\$400,000,000 per Occurrence
<b>Sub-Limits:</b>	\$162,500,000 Earthquake per Occurrence and Annual Pool Aggregate \$100,000,000 Flood per Occurrence and Annual Pool Aggregate, except \$50,000,000 Flood Sub-Limit within Flood Zones A and V. Other sub-limits may apply.
<b>Deductible:</b>	<u>Earthquake:</u> 2% of Values Involved Subject to \$250,000 Minimum per Occurrence <u>Flood:</u> \$250,000 per Occurrence, except within Flood Zones A and V 3% of the total building/facility values involved in the loss subject to a \$500,000 minimum occurrence.

All Other Perils: \$25,000 *Deductible shown only if program member.*

### AUTO PHYSICAL DAMAGE PROGRAM

#### Auto Physical Damage Joint Protection Program

**Limits:** Actual Cash Value (ACV) for scheduled vehicles. Optional replacement cost coverage for vehicles valued \$50,000 or higher *and* scheduled with the current replacement value. Deductible waived for glass repair and damage caused by fire or lightning.

**Deductible:** \$1,000 *Deductible shown only if program member.*

**EQUIPMENT BREAKDOWN (BOILER AND MACHINERY) PROGRAM****Insured by The Hartford Steam Boiler Inspection and Insurance Company**

<b>Limits:</b>	\$100,000,000	Maximum Limit (Equipment Breakdown)
<b>Sub-Limits:</b>	\$10,000,000	Business Income, Service Interruption
	\$5,000,000	Demolition, Ordinance of Law
	\$1,000,000	Extra Expense
	\$500,000	Perishable Goods, Expediting Expenses, Hazardous Substances
	\$100,000	Off Premises Equipment Breakdown, Contingent Business Income, Data Restoration
<b>Deductible:</b>	\$10,000	Combined All Coverage Except: \$25 per KW Turbine Generator Units with a \$50,000 Minimum *\$25 per HP Motors, Pumps, and Deep Well Pump Units *\$2.50 per KVA Transformers *\$25 per HP A/C and Refrigeration Systems *\$25 per HP Internal Combustion Engines and Generators >=500 HP
		<i>*Subject to a \$10,000 Minimum Deductible</i>
		<input checked="" type="checkbox"/> <b>Checked only if program member.</b>

**POLLUTION LIABILITY PROGRAM****Insured by Allied World Assurance Company****Coverage included with membership in WCIA***Policy Terms 02/01/22 – 02/01/24 (One policy limit applies for both years)*

<b>Limits:</b>	\$2,000,000	Per Condition Pollution Condition or Indoor Environmental Condition Limit of Liability
	\$10,000,000	Total Policy and Program Aggregate Limit of Liability for all Pollution Conditions and Indoor Environmental Conditions
<b>Sub-Limit:</b>	\$250,000	Maximum for “Catastrophe Management Costs” Arising out of all Pollution Conditions and Indoor Environmental Conditions
<b>Deductibles:</b>	a) \$100,000	Per Pollution Condition or Indoor Environmental Condition
	b) 5 Days	Per Pollution Condition or Indoor Environmental Condition for Business Interruption Loss

**CRIME/FIDELITY PROGRAM****Insured by AIG – National Union Fire Insurance Company of Pittsburgh PA**

<b>Limits:</b>	\$2,500,000: Employee Theft - per Loss Coverage, Forgery or Alteration, Inside Premises - Theft of Money and Securities, Inside Premises - Robbery or Safe Burglary of Other Property, Outside the Premises, Computer Fraud, Funds Transfer Fraud, Money Orders and Counterfeit Money, Credit/Debit Card Forgery, and Faithful Performance of Duty as prescribed by law. Blanket coverage for all employees unless excluded under the insurance policy.	
<b>Deductibles:</b>	\$10,000	<input checked="" type="checkbox"/> <b>Checked only if program member.</b>
	\$50,000	Impersonation Fraud Coverage Deductible with a \$250,000 sub-limit.

**INFORMATION SECURITY INSURANCE (CYBER INSURANCE)**

**Insured by AIG Specialty Insurance Company**

**Coverage included with membership in WCIA**

***Policy Terms 05/31/21 – 05/31/22***

**Limits:** \$10,000,000 Aggregate Pool Policy Limit and per Member \$1,000,000 Limit

**Sub-Limits:** \$1,000,000 Security and Privacy Liability Insurance per Member

\$1,000,000 Regulatory Action per Member

\$1,000,000 PCI-DSS Assessment or Fine per Member

\$1,000,000 Privacy Event Services per Member/\$10M Pool Limit

\$1,000,000 Event Management Electronic Data per Member

\$1,000,000 Event Management Event Response per Member

\$1,000,000 Bricking

\$100,000 per Member / \$1M Pool Limit Cyber Extortion Including Bitcoin Ransom Coverage

**Deductibles:** \$50,000 Security and Privacy Liability Insurance Including Regulatory Action

\$50,000 PCI-DSS Assessment

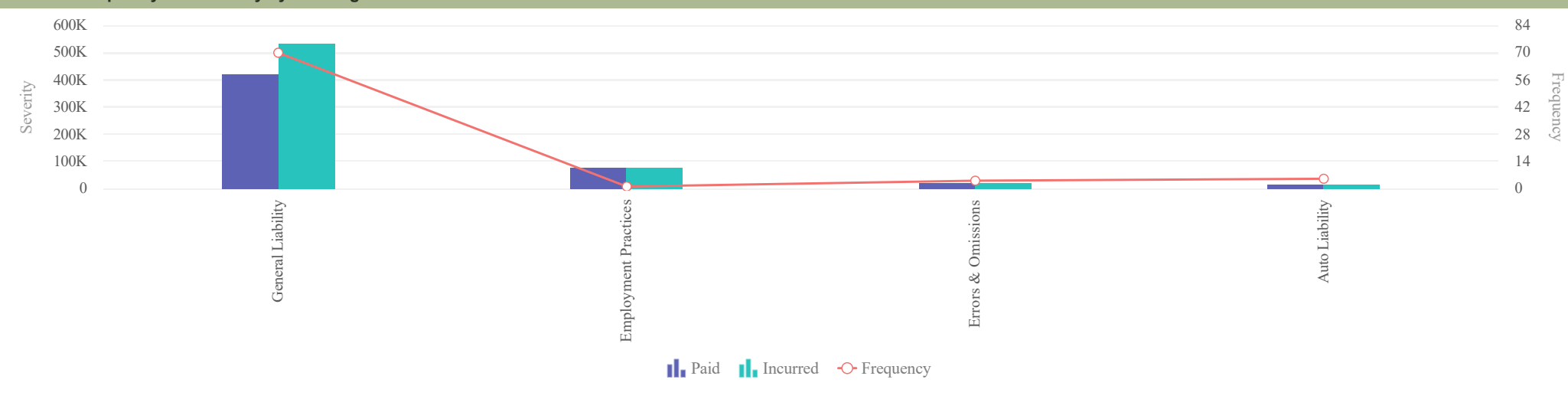
\$50,000 Event Management, E-Discovery None

\$50,000 Cyber Extortion

Note: New Members coverage subject to carrier approval.

*This summary is for your reference only. Please refer to the Joint Protection Program or insurance policies for specific terms, conditions, limits and exclusions.*

**Member Frequency and Severity by Coverage 5 Year**



**Member Claims by Coverage**

Member Group	Member	Sub Coverage	Expected Claim Count	Actual Claim Count	Expected Total Incurred	Actual Total Incurred
3	Shoreline	Auto Liability	12	5	71,367.90	18,604.16
3	Shoreline	Employment Practices	3	1	142,934.79	78,254.40
3	Shoreline	Errors & Omissions	3	4	82,226.37	21,665.40
3	Shoreline	General Liability	60	70	604,764.41	535,772.06
<b>Totals:</b>			<b>78</b>	<b>80</b>	<b>901,293.47</b>	<b>654,296.02</b>

**Group Claims by Coverage**

Member Group	Sub Coverage	Group Claim Count	Group Average Claim Count	Group Total Incurred	Group Average Total Incurred
3	Auto Liability	236	9.83	1,383,098.83	57,629.12
3	Employment Practices	52	2.17	2,770,054.14	115,418.92
3	Errors & Omissions	63	2.63	1,593,534.29	66,397.26
3	General Liability	1,167	48.63	11,720,240.58	488,343.36
3	Public Safety	193	8.04	15,944,010.51	664,333.77
<b>Totals:</b>		<b>1,711</b>	<b>71.29</b>	<b>33,410,938.35</b>	<b>1,392,122.43</b>

Member Claims by Department						
Member Group	Member	Department	Expected Claim Count	Actual Claim Count	Expected Total Incurred	Actual Total Incurred
3	Shoreline	Administration	3	2	119,494.37	1,077.34
3	Shoreline	Fire	1	1	2,471.84	0.00
3	Shoreline	Garbage Collection	2	1	5,656.09	0.00
3	Shoreline	Park Rec Maintenance	7	11	10,347.38	30,910.17
3	Shoreline	Park Rec Program	1	1	913.42	5,000.00
3	Shoreline	PW Electric Utility	1	1	93,914.34	0.00
3	Shoreline	PW Engineering	1	2	33,451.84	78,254.40
3	Shoreline	PW Sewer	11	17	111,452.11	82,945.08
3	Shoreline	PW Storm	3	7	89,366.47	116,802.24
3	Shoreline	PW Streets / Sidewalk	33	37	154,850.21	339,306.79
<b>Totals:</b>			<b>63</b>	<b>80</b>	<b>621,918.07</b>	<b>654,296.02</b>

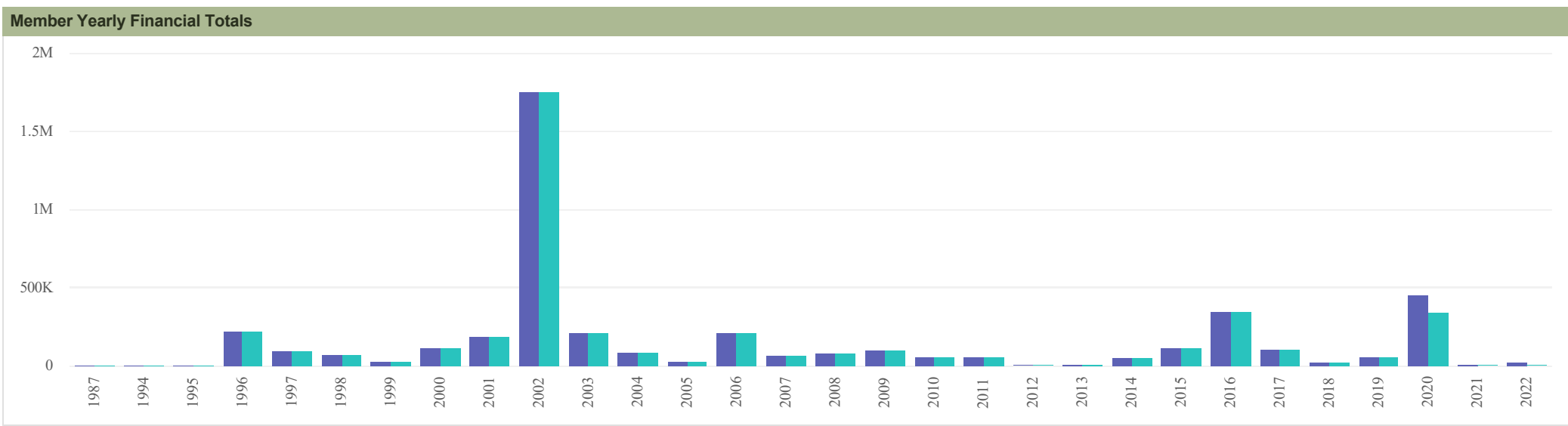
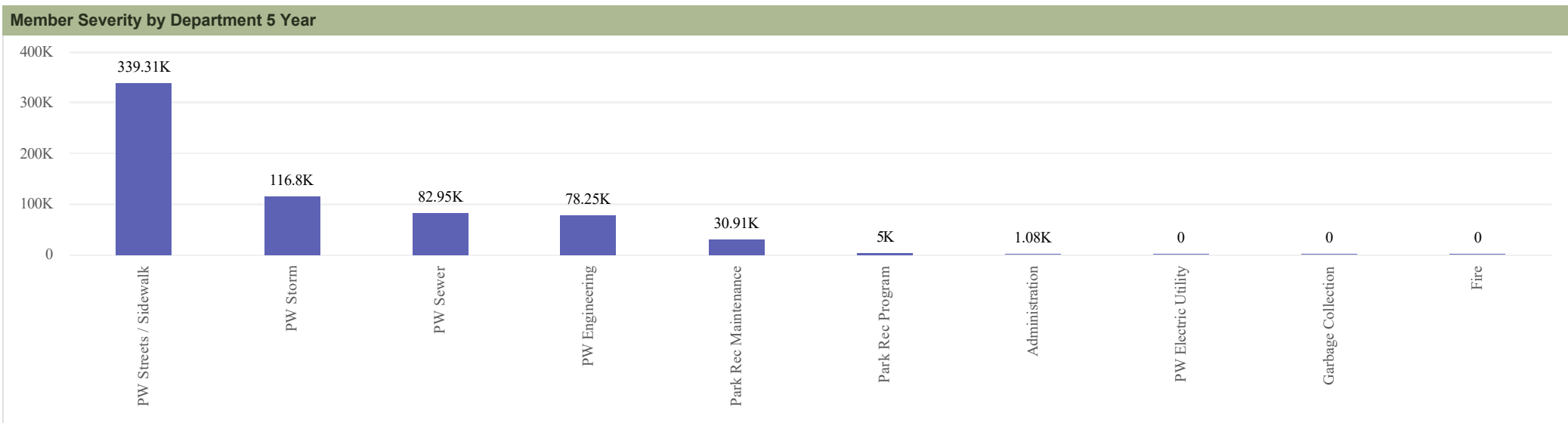


Group	
Member	Group
Aberdeen	3
Anacortes	3
Arlington	3
Bainbridge Island	3
Bonney Lake	3
Burlington	3
Camas	3
Centralia	3
Des Moines	3
Ellensburg	3
Enumclaw	3
Lakewood	3
Mercer Island	3
Monroe	3
Mountlake Terrace	3
Mukilteo	3
Oak Harbor	3
Pullman	3
Sammamish	3
Shoreline	3
Snoqualmie	3
Sumner	3
Sunnyside	3
Tumwater	3
<b>1 to 24 of 24</b>	

**Footnote**

[Member Name] % of Actuarial Group [Member Group] Worker Hours is [%age to Group]  
 Expected Claim Count = [Actuarial Group Claim Count] x [% of Member Worker Hours]  
 Expected Total Incurred = [Actuarial Group Total Incurred] x [% of Member Worker Hours]

Group Claims by Department						
Member Group	Department	Group Claim Count	Group Average Claim Count	Group Total Incurred	Group Average Total Incurred	
3	Administration	49	2.04	2,315,782.41	96,490.93	
3	Animal Control	6	0.25	14,876.01	619.83	
3	Aquatics / Pool	2	0.08	0.00	0.00	
3	Court	3	0.13	1,000.00	41.67	
3	Fire	21	0.88	47,903.85	1,995.99	
3	Garbage Collection	40	1.67	109,614.15	4,567.26	
3	Golf Course	1	0.04	2,209.78	92.07	
3	Jail	3	0.13	1,553.10	64.71	
3	Library	5	0.21	369,988.58	15,416.19	
3	Marina	10	0.42	15,178.54	632.44	
3	Museum	1	0.04	0.00	0.00	
3	Park Rec Maintenance	135	5.63	200,530.62	8,355.44	
3	Park Rec Program	13	0.54	17,701.93	737.58	
3	Planning	41	1.71	601,229.64	25,051.24	
3	Police	297	12.38	18,057,808.26	752,408.68	
3	PW Electric Utility	22	0.92	1,820,045.28	75,835.22	
3	PW Engineering	20	0.83	648,291.52	27,012.15	
3	PW Natural Gas	3	0.13	183.03	7.63	
3	PW Sewer	214	8.92	2,159,924.66	89,996.86	
3	PW Storm	64	2.67	1,731,908.31	72,162.85	
3	PW Streets / Sidewalk	638	26.58	3,000,973.01	125,040.54	
3	PW Water Utility	120	5.00	2,156,749.64	89,864.57	
3	Senior Center	3	0.13	137,486.03	5,728.58	
<b>Totals:</b>		<b>1,711</b>	<b>71.29</b>	<b>33,410,938.35</b>	<b>1,392,122.43</b>	



**Risk Profile Settings**

**Member Frequency and Severity by Coverage 5 Year**

Filter: Loss Date is between 03/31/2017 and 03/31/2022 and Sub Coverage is equal to Auto Liability or Employment Practices or Errors & Omissions or General Liability or Public Safety and Member is equal to Shoreline

**Member Claims by Coverage**

Filter: Member is equal to Shoreline

**Group Claims by Coverage**

Filter: Member Group (Member) is equal to 3

**Member Claims by Department**

Filter: Member is equal to Shoreline

**Group**

No Settings

**Footnote**

No Settings

**Group Claims by Department**

Filter: Member Group (Member) is equal to 3

**Member Severity by Department 5 Year**

Filter: Loss Date is between 03/31/2017 and 03/31/2022 and Sub Coverage is equal to Auto Liability or Employment Practices or Errors & Omissions or General Liability or Public Safety and Member is equal to Shoreline

**Member Yearly Financial Totals**

Filter: Sub Coverage is equal to Auto Liability or Employment Practices or Errors & Omissions or General Liability or Public Safety and Member is equal to Shoreline