

Memorandum



DATE January 3, 2014

TO Members of the Budget, Finance & Audit Committee: Jerry R. Allen (Chair),
Jennifer Staubach Gates (Vice Chair), Tennell Atkins, Sheffie Kadane,
Philip T. Kingston

SUBJECT Upcoming Agenda Item: Risk Consultant and Actuarial Services

The January 8, 2014 Council Agenda includes an item to award a thirty-six month contract with two one-year renewal options for risk management consulting and actuarial services to AON Risk Services Southwest, Inc. in the amount of \$375,000. There is no change in cost compared to the prior contract for these services.

Through a Request for Competitive Sealed Proposal (RFCSP) process, AON Risk Services was selected from among two other proposers to provide the City with risk management consultant and actuarial services. The risk management consultant services includes the review of the property insurance program, excess workers' compensation insurance, liabilities, risk transfer consulting, market assistance with insurance requirements for contractors and the reviews of insurance companies financial stability. The actuarial services provided will include independent reviews of the City's losses for automobile liability, general liability and workers' compensation as well as assist the City by forecasting chances of future events occurring as well as planning for the future by providing extensive actuarial services to include annual cost driver and trend analysis as well as quarterly reviews.

Please let me know if you need additional information.

Jeanne Chipperfield
Chief Financial Officer

c: Honorable Mayor and Members of the City Council
A.C. Gonzalez, Interim City Manager
Rosa A. Rios, City Secretary
Warren M.S. Ernst, City Attorney
Daniel F. Solis, Administrative Judge
Craig D. Kinton, City Auditor
Ryan S. Evans, Interim First Assistant City Manager

Jill A. Jordan, P.E., Assistant City Manager
Forest E. Turner, Assistant City Manager
Joey Zapata, Assistant City Manager
Charles M. Cato, Interim Assistant City Manager
Theresa O'Donnell, Interim Assistant City Manager
Frank Libro, Public Information Officer
Elsa Cantu, Assistant to the City Manager