



**Northwest Fire District
Governing Board**
13535 North Marana Main Street
Marana, Arizona

SCHEDULED

MEMORANDUM NO. {{item.tracking_number}}

Date:	April 22, 2025
To:	Governing Board
From:	Kim Sotomayor, Director
Division:	Business Services
Type of Action:	Formal Action/Motion
Strategic Plan Goals:	Demonstrate responsible and transparent stewardship of organizational resources Other
Agenda Item:	Discussion and Possible Approval of the Renewal Proposal from Volunteer Fireman's Insurance Services (VFIS) for Property and Casualty Insurance Through the District's Broker, The Mahoney Group, to be Effective May 1, 2025, Through April 30, 2026

RECOMMENDATION:

Staff recommends approval of the renewal proposal from VFIS to continue providing District property and casualty insurance from May 1, 2025, through April 30, 2026.

MOTION:

Move to approve the acceptance of VFIS property and casualty insurance in the amount of \$266,623, plus a \$16,500 broker fee to be effective May 1, 2025, through April 30, 2026.

DISCUSSION:

In February 2025, staff completed insurance surveys and updated information about the District's facilities, fleet, and equipment. Through the District's broker, staff requested proposals from our current carrier, VFIS, for providing property and casualty insurance for the District.

The total premium proposed by VFIS is \$266,623, plus a brokerage fee of \$16,500, for a total of \$283,123, or an increase of \$38,609, in premium/fee renewal from the current year of \$244,514 (inclusive of same broker fee of \$16,500).

The primary reasons for the increase in the premiums are the following:

- Increase to general liability of 7.4%
- Blanket business personal property increased from \$9.4M to \$9.7M
- Increased building limits per automatic inflation rate of 4%
- Increased population served from 135,865 to 137,901
- Increased full time employees from 286 to 300

In general, the insurance marketplace continues to be a challenge, and some increases are

due to rising reinsurance costs and increasing claims severity. As the District continues to grow it will increase our exposure, which increases crime coverage, general liability, management liability, and excess coverage premiums.

ALTERNATIVES:

None at this time.

Fiscal Impact

FISCAL YEAR: 25/26

BUDGETED Y/N: Yes

AMOUNT REQUESTED: \$ 283,123

FISCAL IMPACT: This is included in the FY25/26 proposed budget.

Attachments

Renewal Proposal