

Kenai Peninsula Borough  
Finance Department

MEMORANDUM

**TO:** Peter Ribbens, Assembly President  
Members, KPB Assembly

**THRU:** Peter A. Micciche, Mayor *PM*

**FROM:** Brandi Harbaugh, Finance Director *BH*  
Sovala Kisenia, Risk Manager *SK*

**DATE:** August 21, 2025

**SUBJECT:** Ordinance 2025-19 -12 , Appropriating Funds from the Insurance and Litigation Fund Balance for Additional Insurance Premiums and Claim Reserves (Mayor)

During the FY2026 insurance renewal process, the KPB transitioned from the Alaska Municipal League Joint Insurance Agency (AMLJIA) to the Alaska Public Risk Alliance (APRA). This transition resulted in a substantial change to auto and general liability premiums and coverage.

After budget adoption, APRA’s finalized renewal terms increased the KPB’s auto liability premium by 132% above the projected amount. This adjustment reflects differing approaches to auto liability coverages between AMLJIA and APRA but is expected to remain consistent moving forward.

Separately, subrogation and liability claims incurred during the first quarter of FY2026 have exceeded our original reserve projections, necessitating additional funding.

This ordinance appropriates \$695,295.00 from the Insurance and Litigation Fund Balance to ensure sufficient funds are available for both these additional premium costs and claim reserves for the current fiscal year.

Your consideration is appreciated.

FINANCE DEPARTMENT ACCOUNT / FUNDS VERIFIED	
Acct. No.	<u>700.27910 (FB)</u>
Amount:	<u>\$695,295.00</u>
By: <u>  <i>CH</i>  </u>	Date: <u>8/21/2025</u>