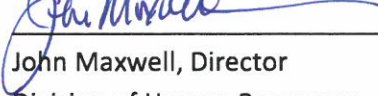


**MEMORANDUM**

TO: Linda Gorton, Mayor
Sally Hamilton, Chief Administrative Officer
Council Members

FROM: 
John Maxwell, Director
Division of Human Resources

DATE: May 27, 2021

SUBJECT: **FY 2022 Excess Property & Casualty Insurance Renewals** - Aviation, Excess Retained Limit Liability (AL/GL/POL,LE), Excess Property, Excess Law Enforcement Liability, Cyber Liability, Pollution Liability, Excess Workers' Compensation

Request:

The attached is requesting authorization to bind coverage with the recommended insurance carriers (table #1).

Why are you requesting:

The current excess insurance policies listed in the "Policy" Column in Table I below will expire at midnight on June 30, 2021. The policies listed in Table 1 have been recommended for renewal by LFUCG's broker Marsh & McLennan Agency.

Table 1

FY 2022 - LFUCG Excess Property & Casualty Proposals					
Policy	FY 2021 Carrier	FY 2021 Premium + Surcharges	FY 2022 Carrier Recommended	FY 2022 Premium + Surcharges	Increase/ Decrease +/-
Aviation Liability & Hull Damage	Westchester Fire Insurance Company (Chubb)	\$23,655.27	Westchester Fire Insurance Company (Chubb)	\$33,573.00	42%



Retained Limit Liability GL/POL/AL/LE	Safety National	\$387,001.17	Safety National Casualty Corporation	\$448,981.55	16%
Excess Liability	Safety National Casualty Corporation	\$91,192.00	Safety National Casualty Corporation	\$145,816.00	60%
Excess Law Enforcement Liability			Kinsale Insurance Company	\$116,528.17	0%
Property	Affiliated Factory Mutual	\$473,766.58	Affiliated Factory Mutual	\$561,476.71	19%
Cyber Liability	ACE American Insurance Company (Chubb Group)	\$23,499.68	Crum & Forster	\$54,882.43	134%
Pollution Legal Liability	Illinois Union Insurance Company/Chubb	\$19,614.67	Illinois Union Insurance Company/Chubb	\$21,262.00	8%
Workers' Compensation	Safety National Casualty Corporation	\$406,725.00	Safety National Casualty Corporation	\$395,580.00	-3%
Totals		\$1,425,454.37		\$1,778,099.86	25%

The recommended Insurance Policies represent **\$1,778,099.86** in premiums for FY 2022. This is an increase of **\$352,645** or **25%** compared to FY 2021 premiums.

The following Self-Insured Retentions, Deductibles, and Limits apply as noted in **Table 2**.

Table 2

Policy	Self-Insured Retention/Deductibles/Limits
Aviation Liability	\$20,000,000 Combined Single Liability Limit for two Police helicopters with single and aggregate medical limits of \$25,000.
Aviation Hull Damage	\$0.00 Not in Motion; \$0.00 of hull/equipment value (\$873,248)
Liability (Auto/General/Public Officials/Law Enforcement/Excess Liability)	\$1,500,000 Self-Insured Retention (SIR) per occurrence \$10mil occurrence/\$12 million aggregate limits Law Enforcement limit \$5,000,000 per occurrence/aggregate
Excess Law Enforcement Liability	\$3,000,000 per occurrence/aggregate
Cyber Liability	\$75k deductible with \$2million Limits.
Pollution Liability	\$75k deductible with \$1million Limits



Property (Buildings, Contents, Boiler & Machinery, Property in the Open, Vehicles, Animals)	\$250,000 Deductible per occurrence with various sub-limits for flood, earthquakes and auto property damage with a \$500,000,000 all perils limit per occurrence.
Workers' Compensation (LFUCG Employees)	\$1,000,000 Self-Insured Retention (SIR) per occurrence.

The funds for insurance premiums are included in the proposed FY 2022 budget – Property & Casualty Insurance Premiums Account, **Table 3** as estimated by the Division of Accounting and Budgeting.

Table 3 (FY 2022 Allocations – Excess Insurance)

Fund	Cost Allocation %	Premium	Allocation By Fund - \$
1101-XXXXXX-XXXX-73101	74.69	\$1,778,099.86	\$1,328,062.79
1115-XXXXXX-XXXX-73101	6.11	\$1,778,099.86	\$108,641.90
4002-XXXXXX-XXXX-73101	19.01	\$1,778,099.86	\$338,016.78
4051-XXXXXX-XXXX-73101	0.19	\$1,778,099.86	\$3,378.39

File Number:

0564-21

Director/Commissioner:

John Maxwell/Sally Hamilton

