


MEMORANDUM

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

FROM: 
Tamara Walters, Director
Division of Human Resources

DATE: June 6, 2023

SUBJECT: **FY 2024 Excess Property & Casualty Insurance Renewals** - Aviation, Excess Retained Limit Liability (AL/GL/POL, LE), Excess Property, 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 on June 30, 2023. The policies listed in Table 1 have been recommended for renewal by LFUCG's broker Marsh & McLennan Agency.



Table 1

FY 2024 - LFUCG Excess Property & Casualty Proposals					
Policy	FY 2023 Current Carrier	FY 2023 Premium + Surcharges	FY 2024 Carrier Recommended	FY 2024 Premium + Surcharges	Increase/ Decrease +/-
Aviation Liability & Hull Damage	Westchester Fire Insurance Company (Chubb)	\$36,868.91	Westchester Fire Insurance Company (Chubb)	\$46,310.86	25.61%
Retained Limit Liability Auto/General/Public Officials & Employment Practices/Law Enforcement	Safety National Casualty Corporation	\$616,519.03	Safety National Casualty Corporation	\$645,856.00	4.76%
Law Enforcement Liability	Kinsale Insurance Company	\$66,136.93	Included in Liability Package above		0%
Excess Liability	Safety National Casualty Corporation	\$387,346.04	Gemini Insurance Company	\$421,889.65	8.92%
Property	Affiliated Factory Mutual	\$646,836.00	Affiliated Factory Mutual	\$774,752.00	19.78%
Law Enforcement Liability	Safety National Casualty Corporation	\$66,136.93	Included in Liability Package w/Safety National Casualty		0%
Cyber Liability	Crum & Forster	\$85,644.00	Berkley Assurance Company	\$77,255.28	-9.79%
Pollution Legal Liability	Illinois Union Insurance Company/Chubb	\$24,427.21	Illinois Union Insurance Company/Chubb	\$26,337.73	7.82%
Workers' Compensation	Safety National Casualty Corporation	\$436,994.00	Safety National Casualty Corporation	\$491,845.00	12.55%
Totals		\$2,234,635.19		\$2,484,246.52	11.17%

The recommended Insurance Policies represent **\$2,484,246.52** in premiums for FY 2024. This is an overall increase of **\$249,611.33** or **11.17%** compared to FY 2023 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 medical pay limit of \$25,000 per occurrence.
Aviation Hull Damage	\$5,000 deductible In-Motion/Ingestion with \$375,000 limit; \$500 deductible for hull/equipment value of \$1,268,485.
Liability (Auto/General/Public Officials & Employment Practices/Law Enforcement)	\$1,500,000 Self-Insured Retention (SIR) per occurrence. \$5,000,000 per occurrence/aggregate limits. Auto Liability \$5,000,000 Combined Single Limit per occurrence.
Excess Liability	\$5,000,000 per occurrence/aggregate limits.
Cyber Liability	\$150,000 Self-Insured Retention (SIR) per occurrence with \$2,000,000 limit.
Pollution Liability	\$100,000 Self-Insured Retention (SIR) per occurrence with \$1,000,000 limit.
Property (Buildings, Contents, Boiler & Machinery, Property in the Open, Vehicles, Animals)	\$250,000 deductible per occurrence with various sub-limits for flood, earthquakes with a \$500,000,000 all perils limit per occurrence. Auto Physical Damage sub-limit of \$25,000,000.
Workers' Compensation	\$1,000,000 Self-Insured Retention (SIR) per occurrence. \$5,000,000 occurrence/aggregate limits.

The funds for insurance premiums are included in the proposed FY 2024 budget – Property & Casualty Insurance Premiums Account, **Table 3** as estimated by the Division of Accounting and Budgeting.

Table 3

(FY 2024 Allocations – Excess Insurance)

Fund	Cost Allocation %	Premium	Allocation By Fund - \$
1101-XXXXXX-XXXX-73101	72.71	\$2,484,246.52	\$1,806,295.64
1115-XXXXXX-XXXX-73101	6.82	\$2,484,246.52	\$169,425.62
4002-XXXXXX-XXXX-73101	20.27	\$2,484,246.52	\$503,556.77
4051-XXXXXX-XXXX-73101	.20	\$2,484,246.52	\$4,968.49

File Number:

0626-23

Director/Commissioner:

Tamara Walters/Sally Hamilton

