



MEMORANDUM

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

FROM: 
Glenda Humphrey George, Director
Division of Human Resources

DATE: June 3, 2024

SUBJECT: **FY 2025 Excess Property & Casualty Insurance Renewals** - Aviation Liability & Hull Damage, Excess Retained Limit Liability Package (GL/POL/EL/AL/LEL), Auto-OTR, Excess Liability, 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, 2024. The policies listed in Table 1 have been recommended for renewal by LFUCG's broker Marsh & McLennan Agency.



Table 1

FY 2025 - LFUCG Excess Property & Casualty Proposals					
POLICY	FY 2024 Current Carrier	FY 2024 Premium + Surcharges	FY 2025 Carrier Recommended	FY 2025 Premium + Surcharges	Increase/Decrease +/-
Aviation Liability & Hull Damage	Westchester Fire Insurance Company (Chubb)	\$46,310.86	Westchester Fire Insurance Company (Chubb)	\$54,014.06	16.63%
Retained Limit Liability Package GL/POL/AL/EL LEL	Safety National Casualty Corporation	\$645,856.00	Safety National Casualty Corporation	\$779,655.74	20.71%
Auto Physical – On the Road	Affiliated Factory Mutual	AFM has discontinued all coverages for vehicles on the road	Safety National Casualty Corporation	\$64,341.66	NA
Excess Liability	Gemini Insurance Company	\$421,889.65	Gemini Insurance Company	\$538,850.16	27.72%
Excess Property	Affiliated Factory Mutual	\$774,752.00	Affiliated Factory Mutual	* \$800,418.00	3.31%
Cyber Liability	Berkley Assurance Company	\$77,255.28	Axis Company	\$56,745.36	(36.14)
Pollution Legal Liability	Illinois Union Insurance Company/Chubb	\$26,337.73	Illinois Union Insurance Company/Chubb	\$27,695.96	5.15%
Workers' Compensation	Safety National Casualty Corporation	\$491,845.00	Safety National Casualty Corporation	\$515,201.00	22.11%
Totals		\$2,484,246.52		\$2,836,921.94	14.20%

*Includes estimated taxes, subject to change based on allocation of premium to specific locations by AFM at policy issuance.

The recommended Insurance Policies represent **\$2,836,921.94** in premiums for FY 2025. This is an increase of **\$352,761.42** or **14.20%** compared to FY 2024 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 person per occurrence.
Aviation Hull Damage	\$18,750 deductible In-Motion/Ingestion with \$375,000 limit; \$1000 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.
Auto Physical - On the Road	\$250,000 per vehicle for collision
Excess Liability	\$5,000,000 per occurrence/aggregate limits. Excluding perfluoroalkyl and polyfluoroalkyl. Excluding cyber incident and biometric information.
Cyber Liability	\$150,000 Self-Insured Retention (SIR) per occurrence with \$2,000,000 limit. \$250,000 Combined including cryptojacking
Pollution Liability	\$100,000 Self-Insured Retention (SIR) per occurrence with \$1,000,000 limit. Added limitation endorsement for maintenance, upgrades, improvements, or installations. Added amendatory endorsement for public entity coverage.
Property (Buildings, Contents, Boiler & Machinery, Property in the Open, Vehicles, Animals)	\$250,000 deductible per location for wind and hail with various sub-limits for flood, earthquakes with a \$500,000,000 all perils limit per occurrence. Excluding Auto Physical Damage while in motion.
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 2025 budget – Property & Casualty Insurance Premiums Account, **Table 3** as estimated by the Division of Accounting and Budgeting.

Table 3 (FY 2025 Allocations – Excess Insurance)

Fund	Cost Allocation %	Premium	Allocation By Fund - \$
1101-XXXXXX-XXXX-73101	71.84	\$2,836,921.94	\$2,038,044.72
1115-XXXXXX-XXXX-73101	7.28	\$2,836,921.94	\$206,527.92
4002-XXXXXX-XXXX-73101	20.69	\$2,836,921.94	\$586,959.15
4051-XXXXXX-XXXX-73101	.19	\$2,836,921.94	\$5390.15

File Number: 0593.24

Director/Commissioner:

Glenda Humphrey George/Sally Hamilton

