



Legislation Details (With Text)

File #:	2013-0692	Version:	1	Name:	FY2014 Liability/Property Insurance Renewal - Approval
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File created:	11/18/2013	In control:	Board of Trustees		
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Title:	FY2014 Liability/Property Insurance Renewal - Approval				
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Date	Ver.	Action By	Action	Result
12/16/2013	1	Board of Trustees		
12/5/2013	1	Finance Department	INTRODUCED TO BOARD	
12/2/2013	0	Finance and Information Technology Committee	RECOMMENDED FOR APPROVAL	Pass
11/18/2013	0	Finance Department	INTRODUCED TO COMMITTEE	

Title

FY2014 Liability/Property Insurance Renewal - Approval

History

The Horton Group has provided the Village with its renewal premium amounts for Fiscal Year 2014 for all property and liability insurance policies, including Excess Worker's Compensation. A summary renewal packet is attached to this agenda item for reference purposes.

Overall, the Village's FY2014 overall liability and property premiums decreased approximately \$22,800, or 2.7%, as compared to FY2013 premiums. The property and auto physical damage premium decreased approximately \$32,500; this decrease is due to a change in the property deductible from \$10,000 to \$50,000. This change in deductible brings us more in line with the market as the Village's deductible had been \$10,000 for a significant number of years and we have not had any significant property claims for more than five years. The decrease in the property and auto physical damage premium is partially offset by an increase of approximately \$1.2 million in the Village's property statement of values. The general, auto, employee and excess liability premiums increased approximately \$7,300; this increase is partially driven by one outstanding general liability claim and one outstanding employee practices claim and partially by the market. The excess worker's compensation premium increased approximately \$6,700; this increase is partially driven by an increase in payroll of approximately 5.7% and partially driven by the market. These increases were partially offset by a decrease in Horton's service fee of \$4,600. Retention amounts (deductibles) on each of the lines remained the same, with the exception of Worker's Compensation; these retention amounts increased from \$550,000 to \$600,000 for police employees and from \$500,000 to \$600,000 for all other employees. Although increased, these retention amounts are still below those offered by Safety National to many of their other municipal clients.

This is a modified version of the original agenda item as additional information was brought to our attention after the original submission. Mr. Michael Gleason from the Horton Group will be present at

the Finance Committee meeting to explain the renewal process and answer any questions.

On December 2, 2013, this item was reviewed by the Finance and Information Technology Committee, recommended for approval and referred to the Village Board of Trustees for consideration.

Financial Impact

The attached documents identify the overall budget impact. The total premium amount of \$834,614, which includes the Horton Group's annual service fee of \$54,900, will be included in the FY2014 budget.

Recommended Action/Motion

I move to approve the property and liability insurance carriers and premiums, as well as the Horton Group's annual service fee, in the total amount of \$834,614, as presented by the Horton Group.