

VILLAGE OF DOWNERS GROVE
REPORT FOR THE VILLAGE COUNCIL MEETING
NOVEMBER 20, 2012 AGENDA

SUBJECT:	TYPE:	SUBMITTED BY:
Extension of Protected Self-Insurance Program for Property, Casualty and Excess Liability Coverage through 12/31/2013	Resolution Ordinance ✓ Motion Discussion Only	Dave Fieldman Village Manager

SYNOPSIS

A motion is requested for the purchase and extension of the renewal and effective date change from 5/1/2013 to 12/31/2013 of re-insurance for property, general liability, workers compensation and excess liability for the Village. The total cost of the premiums is \$305,441.

STRATEGIC PLAN ALIGNMENT

The goals for 2011-2018 include *Steward of Financial and Environmental Sustainability*.

FISCAL IMPACT

The FY13 budget includes \$485,250 in Risk Fund for insurance premiums.

RECOMMENDATION

Approval on the November 20, 2012 consent agenda

BACKGROUND

The Village is self-insured for general liability, auto liability and workers compensation and maintains a self-insured retention of \$1,000,000 for general/auto liability and \$550,000 for workers compensation. Through the Village's broker, The Owens Group, the Village purchases excess coverage for General/Auto Liability and Workers Compensation and a stand-alone property insurance policy for Village-owned property. The Village's current policies expire on April 30, 2013; however, staff recommends changing the policies to have the insurance run concurrently with the Village's fiscal year.

Staff recommends canceling existing policies and then renewing general liability, auto liability, property and excess coverage for January 1, 2013 through December 31, 2013. The prorated premiums from the current policies will be applied to the new annual premium through December 31, 2013. Staff also recommends extending current Worker's Compensation and Crime policies through December 31, 2013. Additionally, staff recommends adding Pollution coverage due to the Village's underground storage tanks.

Below is a table showing the cost for the renewal or extension of each premium through December 31, 2013.

Coverage Type	Carrier	Premium Amount
Excess General Liability/Auto Liability	Munich Insurance	\$96,968
Excess General Liability/Auto Liability and Umbrella	Torus Insurance/ Evanston Insurance	\$56,803
Excess Workers Compensation (Stop loss \$550,000)	Safety National	\$92,000
Property & Crime	Chubb Insurance Travelers Insurance	\$51,547
Pollution	ACE	\$8,123
Total Premium		\$305,441

