

**VILLAGE OF DOWNERS GROVE**  
**Report for the Village Council Meeting**  
**11/12/2024**

<b>SUBJECT:</b>	<b>SUBMITTED BY:</b>
Extension of Protected Self-Insurance for Property, Casualty and Excess Liability Coverage through 12/31/25	Enza Petrarca Village Attorney

**SYNOPSIS**

A motion is requested for the renewal of the re-insurance for property, casualty, cyber, law enforcement, excess workers compensation, excess liability, and attorney’s professional liability coverage for the Village for 2025.

**STRATEGIC PLAN ALIGNMENT**

The goals for 2024-2025 include *Steward of Fiscal, Environmental and Neighborhood Sustainability*

**FISCAL IMPACT**

The FY24 Budget has sufficient funds in the Risk Management Fund for this program. The total annual premium is \$1,122,722.

**RECOMMENDATION**

Approval on the November 12, 2024, consent agenda.

**BACKGROUND**

The Village of Downers Grove is self-insured for General Liability, Auto Liability, and Workers Compensation with Self-Insured Retention (SIR) levels of \$1,000,000 for Liability and for Workers Compensation. The Village also purchases Excess Liability, Property, Pollution, Law Enforcement, Public Officials, Crime, Lawyer’s Professional, and Cyber Liability policies.

Each year the Village, through its insurance broker, conducts a comprehensive and competitive process to select insurance providers and establish annual premiums. The number of carriers providing coverage for public entities is diminishing each year due to adverse losses within the industry. Because of increasing litigation, societal inflation factors, and adverse law enforcement claims throughout the United States, many insurers are capping their limits of liability. Safety National is offering a package containing liability and workers compensation coverage. This program is on the second year of the two – year rate guarantee that was offered in 2023 which is subject to no material increases in exposures (+/-15%) along with conditions on the losses that no new loss exceeds 50% of the applicable self – insured retention. This would be applicable on both the excess workers compensation and liability package. Additionally, Safety National is offering \$25,000 in loss control funds to the Village for safety programming.

The Village is experiencing an 8.5% overall increase in premium for the 2024-25 policy term. The premium increase is attributed to loss activity as well as the addition of the new Civic center which collectively reflect additional exposures. 8.5% is an exceptional increase, considering the markets are rendering increases from 10% - 50% over expiring costs, in some instances.

The Village's property carrier incorporated the new civic center into the '2024-25 program. Values for the former village hall were removed when that building was demolished.

The Village's underground storage tanks are at a \$100,000 deductible this year due to their age.

Alliant does not charge a risk management fee; all services are provided in – house at no cost.

The following table summarizes the coverage and associated premiums for the expiring and renewal programs. All policies are effective December 31, 2024, through December 31, 2025.

	Renewal 2023-2024 \$1,000,000	Renewal 2024-2025 \$1,000,000	% Change
<b>Package Liability &amp; All Lines (TRIA Included)</b>	<b>Safety National</b>	<b>Safety National</b>	
General Liability	\$254,458	\$257,409	1%
Automobile Physical Damage & Liability	\$39,283	\$39,511	1%
Law Enforcement Liability	Included In GL	Included In GL	
Public Officials Liability	Included In GL	Included In GL	
Employment Practices Liability	Included In GL	Included In GL	
Employment Practices Liability - Excess Layer	N/A	N/A	
	N/A	N/A	
Excess Liability	Hudson	Hudson	
Euclid \$5M XS\$5M	\$143,063	\$144,452	1%
Excess Liability	WH Green	WH/Third Coast	
\$10M XS \$10M (2023-2024)	\$120,796	\$93,866	
\$5M XS \$10M (2024-2025)			
Excess Liability	N/A	WH/Old Republic	
\$5M XS \$15M (2024-2025)	N/A	\$56,902	
Excess Liability	Gemini	Gemini	
\$10M XS \$20M	\$96,628	\$109,804	14%
Excess Liability	Markel	Markel	
\$5M XS \$30M	\$51,687	\$59,225	15%
Excess Workers Compensation	Safety	Safety	
\$1M SIR	\$159,945	\$163,154	2%
Property*	Chubb	Chubb	
	\$93,785	\$123,310	31%
Employed Lawyers	Zurich	Zurich	
	\$4,646	\$4,646	0%
Cyber Liability & Crime Combined	Travelers	Travelers	
	\$55,055	\$55,055	0%
Pollution Liability	Chubb	Chubb	
	\$15,129	\$15,389	2%
<b>ESTIMATED PROGRAM TOTAL</b>	<b>\$1,034,475</b>	<b>\$1,122,722</b>	<b>8.5%</b>

\* Property premium increase is due to the new Civic center that increased total values by 27%

VILLAGE OF DOWNERS GROVE  
COUNCIL ACTION SUMMARY

INITIATED: Village Attorney DATE: November 12, 2024  
(Name)

RECOMMENDATION FROM: \_\_\_\_\_ FILE REF: \_\_\_\_\_  
(Board or Department)

**NATURE OF ACTION:**

**STEPS NEEDED TO IMPLEMENT ACTION:**

- Ordinance
- Resolution
- Motion
- Other

Motion for the renewal of the re-insurance for general, automobile, law enforcement, public officials, employment practices, excess liability, excess workers compensation, property, employed lawyers, cyber & crime and pollution coverage for the Village for 2025.



**SUMMARY OF ITEM:**

Adoption of this motion will authorize the renewal of the re-insurance for general, automobile, law enforcement, public officials, employment practices, excess liability, excess workers compensation, property, employed lawyers, cyber & crime and pollution coverage for the Village for 2025.

**RECORD OF ACTION TAKEN:**

---



---



---