

VILLAGE OF LOMBARD
REQUEST FOR BOARD OF TRUSTEES ACTION
For Inclusion on Board Agenda

Resolution or Ordinance (Blue) _____ *Waiver of First Requested*
X Recommendations of Boards, Commissions & Committees (Green)
Other Business (Pink)

TO: PRESIDENT AND BOARD OF TRUSTEES
FROM: Timothy Sexton, Director of Finance
DATE: December 12, 2023 (COW)(B of T) December 21, 2023
TITLE: Finance and Administration Committee Recommendation on 2024 Insurance Program

BACKGROUND/POLICY IMPLICATIONS:

The Village's 2024 Risk Management Program was presented by staff and the Village's Risk Management Consultant, Mike Nugent, to the Finance and Administration (F&A) Committee at their meeting on Monday, December 12, 2023. Mr. Nugent and staff recommended Option 2 which increases the liability self-insured retention (SIR) from \$100,000 each occurrence to \$200,000 each occurrence. This change will reduce the Village's insurance cost by \$30,000. The total increase for Option 2 compared to the 2023 renewal is 3.7% compared to the 11% estimated for the 2024 budget.

The F&A Committee unanimously voted to recommend approval of the 2024 Insurance Program with Option 2 as presented to the President and Board of Trustees. Option 2 combines: Travelers Insurance for liability for property, mobile equipment, flood, earthquake, general employee benefits, automobile (includes garagekeepers coverage), law enforcement, public officials errors & omissions, employment practices, boiler and machinery; Illinois Public Risk Fund (IPRF) for workers' compensation, employers liability; Hartford Insurance for crime; Hudson Insurance for Police and Fire Pension Plans fiduciary liability; and Houston Casualty Company for cyber liability resulting in a total 2024 annual renewal cost **Not To Exceed \$694,411**. Village Board approval of the F&A Committee's recommendation will allow staff to execute the necessary contracts and agreements to assure that coverage is in place for January 1, 2024.

Review (as necessary):

Village Attorney X _____ Date _____
Finance Director X *Timothy Sexton* _____ Date 12/12/23
Village Manager X _____ Date _____

NOTE: All materials must be submitted to and approved by the Village Manager's Office by 12:00 noon, Wednesday, prior to the Agenda Distribution.