

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: November 30, 2021 (COW)(B of T) December 16, 2021  
TITLE: Finance and Administration Committee Recommendation on 2022 Insurance Program

BACKGROUND/POLICY IMPLICATIONS:

The Village's 2022 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, November 29, 2021. Mr. Nugent recommended Option 1 which combines Travelers, Safety National, Hartford, Hudson, and BCBS Ins. and results in a total 12.49% increase. Our current insurer, Safety National, initially proposed a 50% increase but lowered to a 25% increase. Mr. Nugent stated that Safety National will continue to raise their premiums in future years. Staff will research options such as IPRF.

The F&A Committee unanimously voted to recommend approval of the 2022 Insurance Program with Option 1 as presented to the President and Board of Trustees. Options 1 combines: Travelers Insurance for liability for property, mobile equipment, flood, earthquake, general employee benefits, automobile (includes garagekeepers coverage), law enforcement, public officials errors & omissions, and employment practices; Safety National Insurance for workers' compensation, employers liability; Hartford Insurance for crime; Hudson Insurance for Police and Fire Pension Plans fiduciary liability; and BCS Insurance for cyber liability resulting in a total 2022 annual renewal cost **NTE \$558,757**. The Committee also recommended that staff notify the current Risk Management Cooperative (MCSA) that the Village may leave the pool at the end of the year. 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, 2022.

Review (as necessary):

Village Attorney X \_\_\_\_\_ Date \_\_\_\_\_  
Finance Director X Timothy Sexton Date 12/9/21  
Village Manager X [Signature] Date 12/9/21

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.