

**REVISED**

## Risk Management Trust Board

*In Person Meeting*

Tuesday, June 27, 2023

4:00 p.m.

Members of the Board will attend in person.

**Meeting Location:**

Tempe City Hall  
3rd Floor City Managers Conference Room  
31 E 5th St  
Tempe, AZ 85281

Written comments regarding agenda items may be submitted via email to [alex\\_chin@tempe.gov](mailto:alex_chin@tempe.gov) no later than 5:00 p.m. on Monday, June 26, 2023.

1. Call to Order
2. Approval of the May 10<sup>th</sup>, 2023, Board Meeting Minutes
3. Alliant 2023/24 Insurance Renewal Marketing Status Update

4. Board Member & Staff Announcements

Board members and staff may make announcements regarding current events that are not listed on the agenda. No discussion or legal action will be taken regarding these announcements.

5. Public Appearances

The Risk Management Trust Board welcomes public comment. According to the Arizona Open Meeting Law, the Board may only discuss matters listed on its meeting agendas. Matters brought-up by the public under public appearances that are not listed on the meeting agenda cannot be discussed by the Board. A three-minute time limit per person will be in effect.

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## Minutes Risk Management Trust Board May 10, 2023

Minutes of the Risk Management Trust Board meeting held in person at the Tempe Public Library and virtually via Cisco Webex on May 10, 2023, at 5:00 p.m.

**Board Members Present:**

Heather Bilodeau  
Jerry Hart  
Corey D. Woods  
Tom Duensing, Deputy City Manager – Chief Financial Officer

**Board Members Absent:**

Robin Arredondo-Savage

**City Staff Present:**

Chris Hansen, Risk Manager  
  
Lisette Camacho, Financial Services Director  
  
Nichole Martinez, Workers' Compensation Program Specialist  
Alex Chin, Executive Assistant

**Guests Present:**

Pamela Dominguez,  
Alliant Insurance Services, Inc.  
Shawn Kraatz,  
Alliant Insurance Services, Inc.

**Agenda Item 1 – Call to Order:**

Chair Tom Duensing called the meeting to order at 5:05 p.m.

**Agenda Item 2 – Approval of January 11th, 2023, Board Meeting Minutes:**

Motion by Corey D Woods to approve, second by Jerry Hart.  
Ayes: Chair Duensing, Board members Bilodeau, Hart, and Woods.  
Nays: None  
Absent: Robin Arredondo-Savage  
Motion passed on a vote of 4-0.

**Agenda Item 3 – RMTB Annual Claims Trends Report:**

Lisette Camacho presents the annual claims report to the board, a requirement of the city code regarding the risk management program. The report contains charts and provides an overview of the expenditures for the past seven fiscal years, with the latest data available until March 31st of the current fiscal year.

They highlight that the total program expenditures for fiscal year 22-23 through March are about \$7.3 million, 91% of the budget. This increase is attributed to higher claims and increased premiums than the previous fiscal year.

The report also mentions specific incidents contributing to higher expenditures, such as a police shooting, workers' compensation claims requiring surgeries, and property damage from a water main break. The water main break expenses were spread over two fiscal years.

The workers' compensation program expenditures did not increase significantly compared to the prior fiscal year. Still, the fiscal year 2023 premiums were at \$2.5 million, which is 80% of the budget.

The report includes tables summarizing program expenditures, insurance premiums, and revenues. The program revenues represent chargebacks to the departments, with some departments exceeding 100% of their budget due to specific claims.

The status of the funds shows \$3.5 million in cash and liabilities for the risk management fund and \$5.1 million in cash and liabilities for the workers' comp fund. There is also an available fund balance of \$153,000 that can be used for future claims.

Additionally, \$6.5 million was set aside in the general fund for self-insurance purposes. This fund balance can be utilized for future claims if necessary.

Board member Jerry Hart mentions that the city has yet to tap into the self-insurance fund, which is a positive aspect. They also address a question regarding an increase in administrative and medical physical exam expenditure, mentioning that it includes the payment for PTSD claims.

Lastly, there is a discussion about reimbursement for cancer-related claims through the legislative change, allowing municipalities to request reimbursement for such expenditures. This reimbursement is included in the mentioned expenditure line and amounts to around \$500,000 to \$600,000 for this fiscal year.

#### **Agenda Item 4 – Draft Resolution for Insurance Renewal Authorization:**

Pamela Dominguez and Shawn Kraatz presented this item from Alliant Insurance Services, Inc. They provided a recap of the previous meeting held on January 11th, which included a state of the market report and a presentation on the Alliant deadly weapons response program. They highlighted the alignment of this program with the city's crisis emergency response plan.

The Pam Dominguez mentioned they had met with Chris Hansen, who needed certain information for the insurance renewal process. They had entered the market in early March but faced delays due to underwriters asking additional questions to assess risks better and negotiate prices. Pam acknowledged a thorough follow-up was conducted, but additional updates emerged since the presentation was prepared last Friday.

- **Property Program** - the city has a stellar program with no losses and a rate of three and a half cents, which was rare in the current market. The renewal quote from Travelers had a 12.5 % increase but had yet to receive final quotes from other markets.
- **Auto physical damage program** - the current program was with AIG, and the renewal quote showed a three percent decrease in premiums with no changes to terms and conditions. They also mentioned having a quote from Chubb, which had a three percent premium increase but a decrease in exposure. Other marketing quotes were still pending.
- **Excessive Workers' compensation program** – Alliant was not happy with a quote they received and had returned to Safety National to discuss it further. They also discussed the

upward trend in claims from 2014 and older, particularly those with reserves over \$500,000.

Nichole Martinez mentioned settling workers' compensation claims can be difficult, especially regarding future medical provisions. Nichole explained that settlements become challenging because employees become accustomed to the benefits and settling claims later in life can be costly. Nichole also mentioned the long tail of liability in workers' compensation claims, which can result in costs appearing late in the game and discussed a provision that allows injured workers to reopen workers' compensation claims from their entire employment history. Nichole mentioned an influx of such claims, discussed the challenges of settling existing employees' claims and the need to be selective in engaging with claimants for settlements.

- Pamela mentions the marketing efforts and the primary general liability coverage with Safety National. There has been an increase in employer liability limits and the partnership between casualty and workers' compensation programs. Safety Nationals provided higher coverage limits compared to other insurers in the market.

Pamela mentioned the idea of self-insuring all coverage or evaluating the possibility of changing the self-insured retention (SIR) amount. They mentioned the City of San Jose as an example of a fully self-insured city and explained the challenges of returning to the market after self-insuring.

- **Public Entity Liability/Excess Liability** – there have been challenges in purchasing primary general liability and excess liability coverage for public entities in Arizona and nationally. Shawn Kraatz mentioned exploring different programs and options to ensure the best outcome for the city. Safety National is providing coverage up to the first \$5 million, an improvement from the current \$2 million retention. However, the recent police-involved shooting could complicate the renewal process, as the claims notices have been sent out. Shawn emphasized that the market is already difficult, and the outcome of the incident may affect the renewal numbers and the response from the excess carriers. Alliant assures the board they will inform them about any changes or developments.
- **Cyber liability** - this market has increased premiums and higher deductibles. The current quote from the incumbent insurer includes a 70% increase in premiums and increased retention. The incumbent insurer quoted a 70% increase in premiums and an increase in the SIR from \$100,000 to \$250,000. Alliant expresses the need to explore other market options to find the city's best coverage.
- **Foreign travel:** The quote came in flat. One employee has recently traveled out of the country, and another employee's upcoming foreign travel was mentioned.
- **Dams & bridges** – The Mill Avenue Bridge and the dam are covered under a standalone policy with Chubb, as Travelers does not include them in their schedule of values due to the associated risks. A 10 to 20 percent increase was estimated for the property side of things, and the TIV (Total Insured Value) was confirmed with Risk Management and the carrier. The quote from Chubb was pending home office approval.
  - Due to the unique risk associated with dams and bridges, carriers needed more interest in providing quotes. However, Chubb, an international carrier, was more willing to entertain quoting for this type of risk. A marketing report with several

declinations was mentioned, and efforts were made to minimize potential increases.

- **Pollution coverage** - currently a standalone policy with Iron Shore. Iron Shore is the main carrier in this space and has been a reliable partner for the city. The coverage includes an aggregate limit of \$5 million with a \$100,000 deductible. Alliant has been marketing this policy, and Iron Shore has offered a renewal with an increase of about 7%, lower than the average increase of 7-15% in the marketplace. The plan is to explore other options in the marketplace to ensure they are in the right place.
- **Crime insurance:** The city has a three-year policy with Zurich for crime insurance, covering 2020 to 2023. The policy has a limit of \$2 million with a \$25,000 deductible. Zurich has quoted a minimal increase for the renewal, from \$11,000 to about \$15,000. Alliant considers Zurich, a good partner and is also exploring the option of a public entity National prize program offered by Alliance. Alliant will continue to review the entire marketplace before making a final decision.
- **Fiduciary** - This broad coverage includes the board overseeing employee benefit plans. Euclid managers were mentioned as the major writers for public entities in this market. Currently, the city purchases a limit of \$10 million with a split deductible for both regular and class action claims. Alliant is conducting a full marketing process for this coverage and anticipate that Duke will offer an increase of 2.6% on their renewal, which is lower than the market average of 5-10%. Alliant expressed confidence in this coverage but mentioned that more details would be presented in the final presentation.
- **Drone** – currently a standalone policy for Global Aerospace. The coverage provides a limit of \$2 million, and a full marketing process is also being conducted for this policy. The current premium for the coverage is \$13,000, and it was anticipated that the premium would not increase significantly. The coverage applies to the city's drones, and the number of pilots and drones scheduled affects the premium.

A discussion regarding the timing of coming back for insurance renewal. It was mentioned the need to review the resolution quickly and then discussed the schedule for reviewing and approving the insurance renewal. The resolution would allow the board to proceed with the marketing and approval of the insurance, with future approval from the council. Underwriters now delay release of the quotes, and there is now not enough time to evaluate, review, and approve the insurance quotes before the last council meeting in June. The resolution will assist in elevating the timeline pressures. One aspect of the resolution is that the board agrees to ratify the insurance renewal at the next council meeting.

#### **Agenda Item 5 - Board Member and Staff Announcements**

One announcement was made regarding the Boards & Commissions appreciation event that is taking place on Friday, May 19th, at the Omni Tempe Hotel at ASU, 7 E University Dr.

#### **Agenda Item 6 – Public Appearances**

There were no public appearances.

The next meeting is scheduled for June 27th, 2023.

The meeting adjourned at 6:30 p.m.

Minutes prepared by: Alex Chin

Reviewed by: Chris Hansen





# City of Tempe, AZ 2023-2024 Property & Casualty Insurance Renewal Presentation

Shawn M. Kraatz, FVP  
Pamela Dominguez, VP  
Joan Boxwell, Account Manager Lead  
Presented June 27, 2023 | RBTB Meeting



# Premium Comparison 2023/24

	2022	2023	% Change
<b>COVERAGE</b>			
Property	\$414,150	\$465,500	12.4%
Inland Marine	\$115,971	\$130,837.99	12.8%
Auto Physical Damage	\$68,530	\$68,324	-0.3%
\$2M xs SIR	\$415,319	\$418,217	0.7%
\$3M xs \$2M xs SIR	Incl	Incl	
\$5M xs \$5M xs SIR	\$326,903	\$307,362	-6.0%
\$5M xs \$10M xs SIR	\$203,272	\$216,844	6.7%
\$5M xs \$15M xs SIR	\$193,892	\$212,841	9.8%
\$5M xs \$20M xs SIR	\$168,732	\$178,020	5.5%
\$5M xs \$25M xs SIR	\$135,000	\$142,500	5.6%
	<b>\$1,443,118</b>	<b>\$1,475,784</b>	2.3%
Excess Workers Compensation	\$443,655	\$575,237	29.7%
International Package	\$2,500	\$2,500	0.0%
Pollution	\$36,672	\$39,316	7.2%
Cyber	\$77,962	\$133,603	71.4%
Fiduciary	\$30,467	\$31,254	2.6%
Fiduciary Excess	\$17,100	\$17,100	0.0%
Aviation	\$13,070	\$15,495	18.6%
Crime**	\$11,044	\$9,993	-9.5%
<b>GRAND TOTAL</b>	<b>\$4,117,357</b>	<b>\$4,440,727</b>	<b>7.9%</b>

\*Premiums Include TRIA if Purchased Last Year and any applicable Surplus Lines Tax/Fee

\*\*Crime Premium Shown is Annual Installment Premium and best renewal option for 23/24



# Property

	2022-2023	2023-2024
<b>Carrier:</b>	Travelers	Travelers
<b>Limits:</b>	\$100M Policy Limit \$1M EDP \$10M Earthquake \$5M Flood <small>700 W. Rio Salado Pkwy, Tempe, AZ</small> \$10M Flood All Other \$100M Boiler & Machinery \$5,350,884 Fine Arts \$10M Newly Constructed	\$100M Policy Limit \$1M EDP \$10M Earthquake \$5M Flood <small>Zone A</small> \$10M Flood All Other \$100M Boiler & Machinery \$5,378,288 Fine Arts \$10M Newly Constructed
<b>Deductibles:</b>	\$500K Earthquake \$1M Flood <small>700 W. Rio Salado Pkwy, Tempe, AZ</small> \$500K Flood All Other \$500K Boiler & Machinery \$500K Any Other Loss	\$500K Earthquake \$500K <small>xs NFIP</small> \$500K Flood All Other \$500K Boiler & Machinery \$500K Any Other Loss
<b>Premium:</b>	<b>\$414,150</b>	<b>\$465,500</b>

# Property

## 2023-2024 Policy Changes/Comments:

- Flood deductible for Zone A: \$500k xs NFIP
- TIV increase of 1.7%
- Rate increase 10% due to treaty costs
- TRIA Option: \$12,900 Additional Premium

# Inland Marine Dam & Mill Avenue Bridge

	2022-2023	2023-2024
<b>Carrier:</b>	Chubb	Chubb
<b>Limits:</b>	\$89,297,914 Policy Limit \$89,297,914 Earthquake \$25M Flood \$89,297,914 Named Windstorm	\$91,583,940 Policy Limit \$91,583,940 Earthquake \$25M Flood \$91,583,940 Named Windstorm
<b>Deductibles:</b>	\$250K Earthquake \$500K Flood \$250K Named Windstorm \$250K Any Other Loss	\$250K Earthquake \$500K Flood \$250K Named Windstorm \$250K Any Other Loss
<b>Premium:</b>	<b>\$115,971 (\$5,351 TRIA)</b> (Incl. TRIA SL Tax/Fee)	<b>\$130,837.99 (\$6,037 TRIA)</b> (Incl. TRIA SL Tax/Fee)

# Inland Marine Dam & Mill Avenue Bridge

## 2023-2024 Policy Changes/Comments:

- Account rate increase is about 10% with scheduled values increasing about 2.6%
- Option: 24-month term subject to the following:
  - Loss Ratio set at 40% for policy period 07/01/23-07/01/24
  - \$10M Acquisition/Divestiture Clause
  - 1% Margin Clause
  - Subject to a 5% Rate increase for policy period 07/01/24-07/01/25

# Auto Physical Damage

	2022-2023	2023-2024
<b>Carrier:</b>	Lexington Insurance Company	Lexington Insurance Company
<b>Limits:</b>	\$10M Policy Limit \$10M VPD Occurrence Limit \$1M Vehicle Limit \$5M Earth Movement \$5M Flood \$2.5M Special Flood Hazard Areas \$250k Newly Acquired Vehicles	\$10M Policy Limit \$10M VPD Occurrence Limit <b>\$1.3M Vehicle Limit</b> \$5M Earth Movement \$5M Flood \$2.5M Special Flood Hazard Areas \$250k Newly Acquired Vehicles
<b>Deductibles:</b>	\$150,000 Each claim for loss or damage	\$150,000 Each claim for loss or damage
<b>Premium:</b>	<b>\$68,529.96</b> (Incl. SL Tax/Fee)	<b>\$68,323.56</b> (Incl. SL Tax/Fee)



# Auto Physical Damage

## 2023-2024 Policy Changes/Comments:

- **AIG:** Optional terrorism coverage can be purchased from Lexington for \$1,986 plus \$63.55 SL Tax and Fee = \$2,049.55
- **Hanover Option**
  - \$10M Catastrophe Limit
  - \$1M Newly Acquired and Substitute Vehicles
  - \$25K Deductible
  - \$60,412 Premium
  - \$605 Optional Terrorism

# General Liability Primary

	2022-2023	2023-2024
<b>Carrier:</b>	Safety National Casualty Corporation	Safety National Casualty Corporation
<b>Limits:</b>	\$5M/\$5M General Liability \$5M/\$5M Law Enforcement \$5M/\$5M Public Officials Liability \$5M/\$5M Employment Practices \$5M Auto Liability	\$5M/\$5M General Liability \$5M/\$5M Law Enforcement \$5M/\$5M Public Officials Liability \$5M/\$5M Employment Practices \$5M Auto Liability
<b>Retentions:</b>	\$2M General Liability, Public Officials & Employment Practices  \$5M Law Enforcement & Auto Liability	\$2M General Liability, Public Officials & Employment Practices  \$5M Law Enforcement & Auto Liability
<b>Premium:</b>	<b>\$415,319 (Including TRIA and SL Fees/Taxes)</b>	<b>\$418,217 (Including TRIA and SL Fees/Taxes)</b>

# General Liability Primary

## 2023-2024 Policy Changes/Comments:

- No notable changes to terms and/or conditions

# General Liability Excess

## **2022-2023 Current Structure: Excess Premium \$1,027,799**

### **\$5M x \$5M x SIR (3<sup>rd</sup> Layer) – Allied World National Assurance Co.**

- \$7M General Liability
- \$7M Employee Benefits Liability
- \$10M Law Enforcement Liability
- \$7M Public Officials & Employment Practices Liability
- \$10M Auto Liability
- \$326,903

### **\$5M x \$10M x SIR (4<sup>th</sup> Layer) – HDI Global Specialty**

- None-Underlying
- \$203,272

### **\$5M x \$15M x SIR (5<sup>th</sup> Layer) – Gemni Insurance Company**

- None-Underlying
- \$193,892

### **\$5M x \$20M x SIR (6<sup>th</sup> Layer) – Arch Insurance Company**

- None-Underlying
- \$168,732

### **\$5M x \$25M x SIR (7<sup>th</sup> Layer) – Great American Custom**

- None-Underlying
- \$135,000

# General Liability Excess

## **2023-2024 Renewal Structure: Excess Premium \$1,057,567**

### **\$5M x \$5M x SIR (3<sup>rd</sup> Layer) – Homesite Insurance Co.**

- \$7M General Liability
- \$7M Employee Benefits Liability
- \$7M Public Officials & Employment Practices Liability
- \$10M Auto Liability
- \$202,464

### **\$5M x \$5M x SIR (3<sup>rd</sup> Layer) – Indian Harbor Insurance Co.**

- \$10M Law Enforcement Liability
- \$104,898

### **\$5M x \$10M x SIR (4<sup>th</sup> Layer) – Upland E&S**

- None-Underlying
- \$216,844

### **\$5M x \$15M x SIR (5<sup>th</sup> Layer) – Gemni Insurance Company**

- None-Underlying
- \$212,841

### **\$5M x \$20M x SIR (6<sup>TH</sup> Layer) – Arch Insurance Company**

- None-Underlying
- \$178,020

### **\$5M x \$25M x SIR (7<sup>th</sup> Layer) – Great American Custom**

- None-Underlying
- \$142,500



# Excess Liability

## 2022-2023 Policy Changes/Comments:

- 3<sup>rd</sup> Layer: Replacing AWAC with Homesite and PGU. Homesite no longer is writing LEL, need to use PGU for standalone LEL tower in conjunction with Homesite.
- 4<sup>th</sup> Layer: Replacing HDI Global Specialty with Upland E&S

# Excess Workers Compensation

	2022-2023	2023-2024
<b>Carrier:</b>	Safety National Casualty Corporation	Safety National Casualty Corporation
<b>Limits:</b>	Coverage A – Workers Compensation: Statutory Coverage B – Employers Liability: \$2M/\$2M/\$2M	Coverage A – Workers Compensation: Statutory Coverage B – Employers Liability: \$2M/\$2M/\$2M
<b>Retentions:</b>	\$2M – Presumptive Loss \$1.25M - All Other	\$2M – Presumptive Loss \$1.25M - All Other
<b><i>Estimated Premium:</i></b>	\$443,655 (Includes TRIA)	\$575,237 (Includes TRIA)** Awaiting final numbers

# Excess Workers Compensation

## 2023-2024 Policy Changes/Comments:

- Safety National Options
  - #1: SIR \$2M All Other; Premium: \$450,201 (Includes TRIA)
  - #2: SIR \$2M Presumptive Loss; \$1.5M All Other; Premium: \$500,144 (Includes TRIA)
- Midwest Employers Casualty Options
  - #1: SIR \$2.5M Police/Fire; \$1.25M All Other; Premium: \$395,621 (Includes TRIA)
  - 2: SIR \$3M Police/Fire; \$1.25M All Other; Premium: \$351,920 (Includes TRIA)

# International Package

	2022-2023	2023-2024
<b>Carrier:</b>	Ace American Insurance Company	Ace American Insurance Company
<b>Limits:</b>	\$1M Each Occurrence \$2M Products-Completed Operations Aggregate \$1M Employee Benefits Liability \$1M Contingent Auto Liability \$1M Executive Assistance Services \$1M Employers Liability \$250k AD&D \$10k Medical Expense \$1.5M AD&D Aggregate \$250k Corporate Kidnap and Extortion	\$1M Each Occurrence \$2M Products-Completed Operations Aggregate \$1M Employee Benefits Liability \$1M Contingent Auto Liability \$1M Executive Assistance Services \$1M Employers Liability \$250k AD&D \$10k Medical Expense \$1.5M AD&D Aggregate \$250k Corporate Kidnap and Extortion
<b>Retentions:</b>	N/A	N/A
<b>Premium:</b>	\$2,500	\$2,500

# International Package

## 2023-2024 Policy Changes/Comments:

- No notable changes to terms and/or conditions



# Pollution

	2022-2023	2023-2024
<b>Carrier:</b>	Ironshore Specialty Insurance Company	Ironshore Specialty Insurance Company
<b>Limits:</b>	\$5M Policy Aggregate Limit \$5M Remediation Expenses	\$5M Policy Aggregate Limit \$5M Remediation Expenses
<b>Deductibles:</b>	\$100k Remediation Expenses	\$100k Remediation Expenses
<b>Premium:</b>	\$36,672.12 (Incl TRIA and SL Tax/Fee)	\$39,315.70 (Incl TRIA and SL Tax/Fee)

# Pollution

## 2023-2024 Policy Changes/Comments:

- Ascot Option
  - \$5M Limit Covered Location/Miscellaneous/Emergency and Crisis Management Cost/Business Income/Policy Aggregate
  - \$100K Deductible/72 Hour Waiting Period
  - \$32,739.17 Premium (Includes TRIA and SL Tax/Fee)
- AXA XL Option
  - \$5M Limit Covered Location/Contingent Transportation/Non-Owned Disposal Site/
  - \$500K Emergency Remediation Expense Coverage
  - \$100K Deductible
  - \$39,568,.69 Premium (Includes TRIA and SL Tax/Fee)

# Cyber

	2022-2023	2023-2024
<b>Carrier:</b>	Houston Casualty Company	Houston Casualty Company
<b>Limits:</b>	<p>\$3M Policy Limit \$3M Multimedia Liability \$3M Security &amp; Privacy Liability Insurance \$3M Privacy Regulatory Defense and Penalties \$3M PCI DSS Liability \$250K Bodily Injury \$50K Property Damage \$50K TCPA Defense \$500K Cyber Extortion</p>	<p>\$3M Policy Limit \$3M Multimedia Liability \$3M Security &amp; Privacy Liability Insurance \$3M Privacy Regulatory Defense and Penalties \$3M PCI DSS Liability \$250K Bodily Injury \$50K Property Damage \$50K TCPA Defense \$500K Cyber Extortion</p>

# Cyber

	2022-2023	2023-2024
<b>Retentions:</b>	<p>\$300K Aggregate Deductible \$100K per Insuring Agreement Brand Guard: 2 Weeks Waiting Period 12 Months Period of Indemnity System Failure Non-Physical BI: 8 Hours Waiting Period 12 Months Period of Restoration Dependent System Failure: 12 Hours Waiting Period 6 Months Period of Indemnity</p>	<p><b>\$250K</b> Aggregate Deductible <b>\$250K</b> per Insuring Agreement Brand Guard: 2 Weeks Waiting Period 12 Months Period of Indemnity System Failure Non-Physical BI: 8 Hours Waiting Period 12 Months Period of Restoration Dependent System Failure: 12 Hours Waiting Period 6 Months Period of Indemnity</p>

# Cyber

	2022-2023	2023-2024
<b>Premium:</b>	\$77,962.44 (Incl. SL Tax/Fee and policy fee)	\$133,602.72 (Incl. SL Tax/Fee and policy fee)

## 2023-2024 Policy Changes/Comments:

- TMHCC has amended renewal terms to fall within their rating guidelines for a city this size.
- All subjectivities have been met.



# Fiduciary

	2022-2023	2023-2024
<b>Carrier:</b>	Hudson Insurance Company (FLIP)	Hudson Insurance Company (FLIP)
<b>Limits:</b>	<p>\$10M Aggregate Limit \$10M Settlor Coverage \$2M Trustee Claims Expense/Defense of Non-Fiduciary Claims \$500K Voluntary Compliance Program Expenditures \$250K ERISA 502(c) Civil Penalties \$1.5M HIPAA and HITECH Fines and Penalties \$250K PPACA Fines and Penalties \$250K IRC Section 4975 Penalties</p>	<p>\$10M Aggregate Limit \$10M Settlor Coverage \$2M Trustee Claims Expense/Defense of Non-Fiduciary Claims \$500K Voluntary Compliance Program Expenditures \$250K ERISA 502(c) Civil Penalties \$1.5M HIPAA and HITECH Fines and Penalties \$250K PPACA Fines and Penalties \$250K IRC Section 4975 Penalties</p>

# Fiduciary

	2022-2023	2023-2024
<b>Carrier:</b>	Hudson Insurance Company (FLIP)	Hudson Insurance Company (FLIP)
<b>Limits:</b>	<p>\$100K Miscellaneous/Other Penalties \$100K First-Party Benefit Overpayment Coverage \$250K Coverage for Claims of Equitable Relief and Surcharges \$250K Reinstatement of Sublimit for Voluntary Compliance Program Expenditures \$1M Death Master File Penalties (Bipartisan Budget Act of 2013)</p>	<p>\$100K Miscellaneous/Other Penalties \$100K First-Party Benefit Overpayment Coverage \$250K Coverage for Claims of Equitable Relief and Surcharges \$250K Reinstatement of Sublimit for Voluntary Compliance Program Expenditures \$1M Death Master File Penalties (Bipartisan Budget Act of 2013)</p>

# Fiduciary

	2022-2023	2023-2024
<b>Retentions:</b>	\$25K Indemnifiable \$0 Non-Indemnifiable	\$25K Indemnifiable \$0 Non-Indemnifiable
<b>Premium:</b>	\$30,367 \$Included TRIA <u>\$ 100 Waiver of Recourse</u> <b>\$30,467 Total</b>	\$31,154 \$Included TRIA <u>\$ 100 Waiver of Recourse</u> <b>\$31,254 Total</b>

# Fiduciary Excess



	2022-2023	2023-2024
<b>Carrier:</b>	RLI Insurance Company	RLI Insurance Company
<b>Limits:</b>	\$5M excess of \$10M Aggregate Limit	\$5M excess of \$10M Aggregate Limit
<b>Retentions:</b>	Not Applicable	Not Applicable
<b>Premium:</b>	\$17,100 (Incl TRIA)	\$17,100 (Incl TRIA)

# Fiduciary and Fiduciary Excess

## **2023-2024 Policy Changes/Comments:**

- No notable changes to terms and/or conditions

# Crime

	2022-2023	2023-2024
<b>Carrier:</b>	Zurich (07/01/20-07/01/23)	Zurich (07/01/23-07/01/23)
<b>Limits:</b>	\$2M Employee Theft- Per Loss \$2M Forgery or Altercation \$2M Inside Premises – Theft of Money & Securities \$2M Inside Premises-Robbery, Safe Burglary-Other Property \$2M Outside the Premises \$2M Computer Fraud \$2M Funds Transfer Fraud \$2M Money Orders and Counterfeit Paper Currency \$500K Fraudulent Impersonation	\$2M Employee Theft- Per Loss \$2M Forgery or Altercation \$2M Inside Premises – Theft of Money & Securities \$2M Inside Premises-Robbery, Safe Burglary-Other Property \$2M Outside the Premises \$2M Computer Fraud \$2M Funds Transfer Fraud \$2M Money Orders and Counterfeit Paper Currency \$500K Fraudulent Impersonation
<b>Deductible:</b>	\$25K Each Coverage \$100K Fraudulent Impersonation	\$25K Each Coverage \$100K Fraudulent Impersonation
<b>Premium:</b>	\$33,130 \$11,043 Annually	\$45,806 \$15,269 Annually



## 2023-2024 Policy Changes/Comments:

- ACIP Option - AIG (National Union Fire Ins. Company)
  - \$2M Employee Theft- Per Loss
  - \$2M Forgery or Altercation
  - \$2M Inside Premises – Theft of Money & Securities
  - \$2M Inside Premises-Robbery, Safe Burglary-Other Property
  - \$2M Outside the Premises
  - \$2M Computer Fraud
  - \$2M Funds Transfer Fraud
  - \$2M Money Orders and Counterfeit Paper Currency

### Enhancements include:

- **Employee Post Termination Coverage – 90 days**
- **Expenses Incurred to Establish Amount of Covered Loss \$75k sublimit**
- **Include Chairperson and Members of Specified Committees as Employees**
- **Include Volunteer Workers as Employees**
- **Vendor Theft Coverage Endorsement \$1M**
- **Third Party Coverage Identified Employee - \$250,000 Sublimit**
- **\$25K Deductible Each Coverage**
- **\$9,993 Premium**

# Aviation/Drone



	2022-2023	2023-2024
<b>Carrier:</b>	Global Aerospace (November 4, 2022 – July 1, 2023)	Global Aerospace
<b>Limits:</b>	\$2M Bodily Injury and Property Damage Limit Each Occurrence Limit \$2M Aviation Personal and Advertising Injury Liability \$5K Medical Services Limit \$100K Fire Legal Liability Hull Value as per Schedule of Aircrafts	\$2M Bodily Injury and Property Damage Limit Each Occurrence Limit \$2M Aviation Personal and Advertising Injury Liability \$5K Medical Services Limit \$100K Fire Legal Liability Hull Value as per Schedule of Aircrafts
<b>Retentions:</b>	5% In Motion 5% Not In Motion	5% In Motion 5% Not In Motion
<b>Premium:</b>	\$13,070 Annual Premium (Includes TRIA)	\$15,495 Premium (Includes TRIA)

## 2023-2024 Policy Changes/Comments:

- Quote includes TRIA
- Chubb Option
  - \$2M Bodily Injury Excluding Passengers
  - 10% Not In Motion Hull Deductible
  - 10% In Motion Hull Deductible
  - \$38,339 Premium (Includes TRIA)
  - Quote included commission requesting it be net

# Alliant Deadly Weapon Program

	2023-2024
<b>Carrier:</b>	Underwriters at Lloyd's of London
<b>Limits:</b>	\$500,000 Each and Every Deadly Weapon Event including Claim Expenses  \$500,000 Annual Aggregate
<b>Retentions:</b>	\$10,000 Each and Every Deadly Weapon Event including Claims Expenses
<b>Premium:</b>	\$7,310.69 Incl taxes and fees