

TO: Village Council and Mayor Brown
FROM: Finance Committee, Rob Bartlett - Chair
RE: Risk Management Insurance
DATE: July 27, 2020

The Finance Committee met on Monday, July 20, 2020 at 5:45 pm to discuss renewing the Village's risk management insurance. Present at the meeting were Finance Committee Chair Rob Bartlett, Finance Committee Members Joe Stelzer and Kelly Rankin, Mayor Bill Brown, council member Marcy Lewis and Fiscal Officer Tony Borgerding.

The Finance Committee reviewed the initial proposal for risk management coverage from Hylant. If we did not change any of the coverage levels in the plan, the Village's cost would go from \$32,980 in 2019 to \$37,424 in 2020. The Finance Committee obtained the current coverage levels of Fairfax, Terrace Park, Newtown and Columbia Township and compared that to Mariemont's coverage (see attached).

After some discussion, the Finance Committee agreed to the following changes:

- Increase the Earthquake and Volcanic Eruption coverage from \$1,000,000 to \$2,000,000 at no additional cost.
- Reduce Media and Data coverage from \$37,221 to \$10,848, consistent with the other communities, saving \$32.
- Reduce Extra Expense in Computer Coverage (this is to rent equipment until any damaged equipment can be replaced) from \$35,000 to \$10,000 consistent with the other communities, saving \$29.
- Reduce all Liability Coverages from \$6,000,000 per event and \$8,000,000 aggregate to \$5,000,000 per event and \$7,000,000 aggregate, consistent with the other communities, saving \$1,122.
- Increase Cyber coverage from \$250,000 to \$1,000,000 while also increasing the deductible from \$5,000 to \$25,000, increasing the cost by \$277. While only Newtown currently has this level of coverage, Karie Novesl, our agent from Hylant, strongly recommended this increase given the risk in this area.
- Decline the Malicious Act coverage, saving \$779. This coverage was previously included in the Terrorism coverage, but now is being charged separately. It specifically covers a planned attack by an assailant at a Village sponsored event. Karie said it is not required by law, and neither Terrace Park nor Columbia Township are currently paying for this coverage.

After making the above changes, the new quote for our risk insurance is \$35,739, still an increase of \$2,759 versus what we were paying in 2019, but less than the \$4,444 increase we were originally quoted. The Finance Committee recommends going forward with the new updated coverage and quote. Because this needs to be passed as legislation and it needs to be effective by August 26, 2020, if council accepts this report, then the legislation will need to be passed as an emergency measure at the first council meeting in August.

Respectfully Submitted,

Rob Bartlett, Chairman

Kelly Rankin, Vice-Chairman

Joe Stelzer, Member

Summary of Risk Insurance						Columbia
		<u>Mariemont</u>	<u>Newtown</u>	<u>Fairfax</u>	<u>Terrace Park</u>	<u>Township</u>
Carrier		Ohio Plan	Ohio Plan	Ohio Plan	Ohio Plan	Ohio Plan
Property Coverage						
Building and Personal Property		5,738,753	4,433,102	4,566,753	3,212,875	974,998
Flood and Mudslide		not covered	not covered	not covered	not covered	500,000
Earthquake and Volcanic Eruption		1,000,000	not covered	4,566,753	3,212,875	1,000,000
Business Income with Extra Expense		250,000	250,000	250,000	250,000	250,000
Legal Liability - Real Property		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Ordinance or Law Coverage		250,000	250,000	250,000	250,000	250,000
Deductibles						
Building and Personal Property		1,000	1,000	1,000	1,000	500
Electric Substations and Transformers		10,000	10,000	10,000	10,000	10,000
Flood and Mudslide		not covered	not covered	not covered	not	25,000
Earthquake and Volcanic Eruption		25,000	not covered	25,000	25,000	25,000
Unmanned Aerial Systems						
Valuation		5,738,753	4,433,102	4,566,753		
Additional Property Coverage/Extensions						
Accounts Receivable		250,000	250,000			250,000
Animal Mortality/Injury		10,000	10,000			10,000
Arson Reward		5,000	5,000			5,000
Athletic Fields - Natural and Artificial Turf		200,000	200,000			200,000
Builders Risk		500,000	500,000			500,000
Cemetery Buildings		10,000	10,000			10,000
Claim Preparation Expense		50,000	50,000			50,000
Commandeered Property		100,000	100,000			100,000
Crime Reward		\$1k/person	\$1k/person			\$1k/person
Electronic Data		1,000	1,000			1,000
Expediting Expense		250,000	250,000			250,000
Fine Arts		25,000	25,000			25,000
Fire Department Service Charge		1,000	1,000			1,000
Fire Protective Devices		5,000	5,000			5,000
Lock Re-Keying		25,000	2,500			2,500
Newly Acquired/Constructed						
Building		2,000,000	2,000,000			200,000
Personal Property		1,000,000	1,000,000			1,000,000
Non-owned Detached Trailers		5,000	5,000			5,000
Outdoor Property		100,000	100,000			100,000
Paved Surfaces		50,000	50,000			50,000
Personal Effects of Employees - per Claim		2,500	2,500			2,500
Pollutant Clean-Up		100,000	100,000			100,000
Property in Transit		100,000	100,000			100,000
Property Off Premises		10,000	10,000			10,000
Spoilage		25,000	25,000			25,000
Underground Pipes, Flues or Drains		1,000,000	1,000,000			1,000,000
Unnamed Location		250,000	250,000			250,000
Utility Services (off premises power interruption)		25,000	25,000			25,000
Valuable Papers - Cost to Research		250,000	250,000			250,000
No Foundations Exclusion						
Special Property Coverage						
Special Property - Scheduled		703,877	448,637	969,115	346,235	258,827
Special Property - Unscheduled Equipment (\$5,000 o		95,000	5,000	15,000	150,000	50,000
Deductible		1,000	500	500	1,000	
Valuation			Replacement			

Computer Coverage						
Computer Equipment	53,173	45,287	63,531	27,118	8,508	
Media and Data	37,221	10,848	10,848	10,848	10,635	
Property Away from Premises	5,000	5,000	5,000	5,000	5,000	
Computer Virus	1,000	1,000	1,000	1,000	1,000	
Business Income	not covered	not covered	not covered	not covered	0	
Extra Expense	35,000	10,000		10,000	10,000	
Deductibles						
Computer Equipment	500	250	500	1,000	250	
Business Income	not covered	not covered	not covered	not covered	not covered	
Extra Expense	none	none	none	none	none	
Valuation						
Computer Equipment	replacement	replacement				
Data and Media	reconstruction	replacement				
Library Materials Coverage	not covered	not covered	not covered	not covered	not covered	
Crime Coverage						
Public Employee Dishonesty	100,000	100,000	100,000	10,000	100,000	
Inside the Premises - Theft of Money and Security	2,000	2,500	25,000	1,000	5,000	
Outside the Premise	2,000	2,500	25,000	1,000	5,000	
Forgery and Alterations	100,000	5,000	5,000	5,000	5,000	
Computer Fraud	100,000	2,500	5,000	1,000	5,000	
Funds Transfer Fraud	100,000	5,000	5,000	5,000	5,000	
Social Engineering Fraud	5,000	5,000	5,000	5,000	5,000	
Deductibles						
Public Employee Dishonesty	1,000	1,000	1,000	0	1,000	
Inside the Premises - Theft of Money and Security	0	0	250	0	0	
Outside the Premise	0	0	250	0	0	
Forgery and Alterations	1,000	0	0	0	0	
Computer Fraud	1,000	100	100	100	250	
Funds Transfer Fraud	1,000	0	0	0	0	
Social Engineering Fraud	1,000	100	100	100	100	
Liability Coverage						
Bodily Injury and Property Damage	6,000,000	4,000,000	5,000,000	6,000,000	4,000,000	
General Aggregate	8,000,000	6,000,000	7,000,000	8,000,000	6,000,000	
Personal & Advertising Injury	6,000,000	4,000,000	5,000,000	6,000,000	4,000,000	
Medical Expense - per person	10,000	10,000	10,000	10,000	10,000	
Medical Expense - any one accident	50,000	50,000	50,000	50,000	50,000	
Deductible						
Employee Benefits Liability						
Each Incident	6,000,000	4,000,000	5,000,000	6,000,000	4,000,000	
Annual Aggregate	8,000,000	6,000,000	7,000,000	8,000,000	6,000,000	
Deductible			0		0	
Employers Liability						
Bodily Injury by Accident - Each accident	6,000,000	4,000,000	5,000,000	6,000,000	4,000,000	
Bodily Injury by Disease - Each employee	6,000,000	4,000,000	5,000,000	6,000,000	4,000,000	
Bodily Injury by Disease - Aggregate	6,000,000	4,000,000	5,000,000	8,000,000	4,000,000	
Deductible			0	0	0	

Liability Coverage						
Public Officials Errors and Omissions Liability						
	Each Wrongful Act	6,000,000	4,000,000	5,000,000	6,000,000	4,000,000
	Annual Aggregate	8,000,000	6,000,000	7,000,000	8,000,000	6,000,000
	Errors and Omissions Deductible	1,000	1,000	1,000	2,500	5,000
Employment Practices Liability						
	Each Wrongful Act	6,000,000	4,000,000	5,000,000	6,000,000	4,000,000
	Annual Aggregate	8,000,000	6,000,000	7,000,000	8,000,000	6,000,000
	Employment Practices Deductible	1,000	1,000	1,000	2,500	5,000
	Back Wages - Annual Aggregate	25,000	25,000	25,000	25,000	25,000
	Back Wages Deductible	1,000	1,000	1,000	2,500	1,000
Non-Monetary Defense						
	Annual Aggregate	25,000	25,000	25,000	25,000	
	Deductible	1,000	1,000	1,000	2,500	
Law Enforcement Liability						
	Each Wrongful Act	6,000,000	4,000,000	5,000,000	6,000,000	not covered
	Annual Aggregate	8,000,000	6,000,000	7,000,000	8,000,000	not covered
	Medical Expense - per Person	10,000	10,000	10,000	10,000	not covered
	Medical Expense - Any One Accident	50,000	50,000	50,000	50,000	not covered
	Deductible	1,000	1,000	1,000	2,500	not covered
Automobile Coverage						
	Bodily Injury, Property Damage - each Accident	6,000,000	4,000,000	5,000,000	6,000,000	4,000,000
	Uninsured/Underinsured Motorist Bodily Injury	not covered	not covered	not covered	not covered	not covered
	Medical Payments - Each Accident	5,000	5,000	5,000	5,000	5,000
Cyber						
	Data Breach and Privacy Liability - each Claim	250,000	1,000,000	250,000	250,000	250,000
	Data Breach Loss to Member - Each Access	250,000	1,000,000	250,000	250,000	250,000
	Electronic Media Liability - each Claim	250,000	1,000,000	250,000	250,000	250,000
	Breath Mitigation Expense - each Compromise	250,000	1,000,000	250,000	250,000	250,000
	Policy Aggregate	250,000	1,000,000	250,000	250,000	250,000
Deductibles						
	Data Breach and Privacy Liability	5,000	25,000	25,000	10,000	25,000
	Data Breach Loss to Member	5,000	25,000	25,000	10,000	25,000
	Electronic Media Liability	5,000	25,000	25,000	10,000	25,000
	Breath Mitigation Expense	5,000	25,000	25,000	10,000	25,000
Terrorism Coverage						
Property						
	Building and Personal Property	7,881,219	5,207,874	5,890,247	4,012,076	
	Deductible	25,000	25,000	25,000	25,000	

Liability					
	Each Occurrence per Member	6,000,000	4,000,000	5,000,000	6,000,000
	Annual Aggregate per Member	8,000,000	6,000,000	7,000,000	8,000,000
	Deductible	10,000	10,000	10,000	10,000
Malicious Act					
	Malicious Assailant - each occurrence all members	5,000,000			
	Malicious Assailant - aggregate all members	10,000,000			
	Malicious Act General Aggregate Limit		1,000,000	1,000,000	
	Death Benefit Aggregate Limit		1,000,000	1,000,000	
	Death Benefit Limit - per Member		25,000	25,000	
	Medical Expense Aggregate Limit		25,000	25,000	
	Medical Expense Limit - per Member		5,000	5,000	
	Emergency Medical Services - Aggregate Limit			5,000	
	Emergency Medical Services - per member limit			1,000	
	Funeral Service Aggregate Limit		25,000	25,000	
	Funeral Services Limit - per Member		1,000	1,000	
	Personal Counseling Aggregate Limit		10,000	10,000	
	Personal Counseling Limit - per Member		2,500	2,500	
	Travel Services Aggregate Limit		25,000	25,000	
	Travel Services Limit - per Member		5,000	5,000	