

MEETING DATE: 04/13/22

ITEM: 5

AGENDA ITEM SUMMARY

Subject: EMC insurance renewal package

Background Summary:

It is time for our insurance renewal. Sisson and Associates have prepared a summary and a comparison to last year's rates and that is enclosed along with a summary from Bob on our coverage. The cyber coverage, as Bob states, has gone up to \$5,250 from \$2,850.

Bob will be at the meeting to answer any questions you may have. This will be on the April 18 agenda for council action.

CITY OF CHARLES CITY



SISSON & ASSOCIATES, INC.
1101 S. Grand Ave • P.O. Box 219 • Charles City, Iowa 50616
Phone 641-228-2835 • Fax 641-228-2535

City Insurance Coverages

Property – we Blanket all buildings and personal property limits into one amount of \$57,099,095. Coverage is this amount whether it's one building or all of them from an occurrence. \$5,000 deductible.

Liability - \$2,000,000 per occurrence for Bodily Injury, Property Damage and Personal Injury with a \$2,000,000 Aggregate and \$5,000 Premise Medical.

Automobile - \$2,000,000 Each Accident for Bodily Injury and Property Damage, \$1,000,000 Uninsured & Underinsured liability, \$2,000 each person auto medical insurance. Physical Damage of Collision and Comprehensive on most units with a \$500 Comprehensive and \$1,000 Collision deductibles.

Fidelity (Crime) - \$300,000 Employee Theft (\$3,000 deductible) - \$300,000 Computer Transfer Fraud (\$3,000 deductible) - \$2,000 theft of money inside (\$250 deductible) and \$5,000 theft of money outside the premise (\$500 deductible).

Linebacker – Council Errors and Omissions and Employment Practices Liability (Age Discrimination, Wrongful Termination and Sexual Harassment). \$2,000,000 Each Loss with a \$2,000,000 Aggregate and a \$3,000 Each Claim deductible.

Law Enforcement – Police liability coverage of \$2,000,000 per occurrence with a \$2,000,000 Aggregate and a \$5,000 each occurrence deductible.

Umbrella - \$9,000,000 each occurrence with a \$9,000,000 Aggregate.

Workers Compensation – premiums are based on Gross Payroll and rates are determined by different classes of employment. Modification Factor is .95.



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Premium Comparison

	<u>2021</u> (with changes)	<u>2022</u>
Property (incl. Business Income)	\$ 110,791	\$ 143,715
Blanket Limit:	52,973,020	57,099,095
Rate:	.206	.244
Liability	51,524	57,989
Inland Marine	5,364	5,439
Cybersolutions (Data Compromise)	404	404
Automobile	55,683	58,442
Fidelity	630	707
Linebacker	10,427	13,029
Law Enforcement	8,622	9,138
Umbrella	<u>17,614</u>	<u>21,015</u>
Total Package:	\$261,059	\$309,878
Workers' Comp.	143,386	144,602
Exp. Mod.	.90	.95
GRAND TOTAL:	\$404,445	\$454,480 (12.4% incr.)



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March 30, 2022

Good morning!

Here is the City's Cyber renewal for 04/01/2022.

The renewal is up \$2,850 from last year for a renewal premium of \$5,250. Last years premium was \$2,200.

I know this is a large jump in premium and I want you and Steve to know that I did reach out to Jester Agency as to why. Cyber claims are on the rise and municipalities are hard to write.

I did reach out to EMC as they write Cyber and they told me that the CFC program offers more coverage and higher limits of protection then they can offer. EMC won't offer liability limits as high as CFC and their pricing wouldn't be competitive.

I have reached out to other markets and most of them have stopped writing Cyber or will not write \$1,000,000 limits.

Please let me know if you have any questions.

Thanks!

A handwritten signature in blue ink, appearing to read 'Bob', is written in a cursive style.