



**CITY OF WASHINGTON, ILLINOIS**  
**Committee of the Whole Agenda Communication**

**Meeting Date:** June 17, 2024

**Prepared By:** Joanie Baxter, CPA – Finance Director *JEB*

**Agenda Item:** Property and Liability Insurance Renewal – Consent Agenda

**Explanation:** Mark Whitlock and Dennis Hermann, our agents from Summer & Associates requested a renewal from our current insurance carrier, Selective Insurance Company. We have been with Selective for one year and have had good customer and claims service with them.

Selective quoted on both the property and liability insurance along with the cyber insurance that is currently with Burnham and Flower. The total quote for all lines is in the amount of \$231,139 compared to an expiring total premium of \$214,471, or a 7.77% increase. This is a very favorable renewal considering the building and vehicle claims as a result of the recent fire.

Mark provides the following perspective:

*We are happy with the terms provided considering market conditions and claim activity. The property insurance market has posed some major challenges on the heels of significant losses in the last couple years. The losses from natural disasters have affected the reinsurance market greatly and as a result has pushed rates to the carriers upwards of 40-70%. In addition, inflation has impacted the construction costs. Combine building cost and the scale of the losses from the natural disasters around the country and the world, it impacts the terms, conditions, compliance, and pricing.*

**Fiscal Impact:** A total of \$238,300 is budgeted for FY24-25 for property and liability insurance, compared to the renewal amount of \$231,139.

**Recommendation/Committee Discussion Summary:** The Committee of the Whole reviewed on June 10, 2024 and recommends approval.

**Action Requested:** Approval of the renewal as part of the Consent Agenda.



**City of Washington**

**2024 Premium & Exposure Comparison Summary - Selective Insurance Company**

Coverage	Basis	Exposure			Premium		
		2023-2024	2024-2025	Change	2023-2024	2024-2025	Change
Blanket Commercial Property	Values	33,660,078	35,369,337	5.08%	\$31,126	\$40,127	28.92%
Scheduled Mobile Equipment	Values	2,975,102	2,975,102	0.00%	\$17,758	\$18,979	6.88%
Leased or Rented Equipment	Values	300,000	300,000	0.00%	Included	Included	0.00%
Unscheduled Equipment	Values	180,770	180,770	0.00%	Included	Included	0.00%
Crime Protection	Employees	77	76	-1.30%	\$1,366	\$378	-72.33%
Commercial Automobile	Units	57	57	0.00%	\$56,242	\$61,200	8.82%
Garagekeepers	Limits	300,000	300,000	0.00%	Included	Included	0.00%
Commercial General Liability	Loc/Rev/Pop	See Schedule	See Schedule	0.00%	\$22,898	\$24,609	7.47%
Abuse or Molestation Liability	Limits	1,000,000	1,000,000	0.00%	\$1,584	\$2,376	50.00%
Police Professional Liability	Population	16,000+	16,000+	0.00%	\$28,536	\$28,536	0.00%
Public Officials Liability	Employees	77	76	-1.30%	\$11,719	\$11,705	-0.12%
Cyber Liability	Limits	1,000,000	1,000,000	0.00%	\$9,776	\$9,450	-3.33%
Commercial Umbrella Liability	Limits/Underlying	7,000,000	7,000,000	0.00%	\$33,466	\$33,779	0.94%
					<b>\$214,471</b>	<b>\$231,139</b>	<b>7.77%</b>

**Notes/Conditions:**

- 1) Please refer to your policy for specific coverage details. Exclusions, Limitations, and Conditions apply.
- 2) Policies Subject to Annual Audit by Insurance Company.
- 3) Location 8 Building 1 - 700 Woodland Trail - excludes coverage for flood.
- 4) 2023-2024 Automobile & Scheduled Equipment premiums are amended due to mid-term policy changes.
- 5) Selective Insurance Company of America - A.M. Best Rating: A+ XV (Superior)
- 6) Public Officials, Police Professional, Cyber and Drone Applications all signed prior to binding.