



12 South Center Street
Bensenville, IL 60106

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VILLAGE BOARD

April 11, 2024

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Mr. Michael Rost
Allium Data

Re: April 9, 2024 Commercial FOIA Request

Dear Mr. Rost:

I am pleased to help you with your April 9, 2024 Commercial Freedom of Information Act ("FOIA"). The Village of Bensenville received your request on April 9, 2024. You requested copies of the items indicated below:

"Please consider this email as an open records request for commercial purposes under the applicable laws of your jurisdiction. We are requesting copies of your current property and casualty insurance policies, or a summary document that includes coverage, carrier, limits, deductibles and premium. Let us know if you have any questions and please send your responsive documents to publicrecords@alliumdata.com"

Your FOIA is hereby granted in full with the enclosed records. No redactions have been made.

Do not hesitate to contact me if you have any questions or concerns in connection with this response.

Very truly yours,


Corey Williamsen
Freedom of Information Officer
Village of Bensenville

From: Public Records <publicrecords@alliumdata.com>
Sent: Tuesday, April 9, 2024 8:05 AM
To: Corey Williamsen
Subject: Open Records Request

1554

CAUTION: This email originated from outside of the organization.

Please consider this email as a open records request for commercial purposes under the applicable laws of your jurisdiction. We are requesting copies of your current property and casualty insurance policies, or a summary document that includes coverage, carrier, limits, deductibles and premium. Let us know if you have any questions and please send your responsive documents to publicrecords@alliumdata.com

Michael Rost - Founder/CEO
Allium Data



Village of Bensenville

2023 – 2024

Property, Liability and Workers' Compensation Insurance Proposal

October 12, 2023

Dane Mall
Account Executive

Margaret Steibel
Account Manager

Alliant Insurance Services, Inc.

353 North Clark Street
Chicago, IL 60654
O 312 595 6200

CA License No. 0C36861

www.alliant.com

Executive Summary

The Public Entity Professionals of Alliant Insurance Services, Inc. are thankful for the opportunity to present the December 1st, 2023 to December 1st, 2024 property and casualty insurance renewal proposal to the Village of Bensenville. On a national level, and locally, public entities across the U.S. have been challenged with "hard" insurance marketplace conditions—defined as steep reoccurring rate increases and limited capacity—going back to 2019.

State of the Insurance Marketplace

The lingering impact of the pandemic, cyber threats, law enforcement scrutiny, economic conditions, inflation, and continued severe global weather-related property losses are having a prolonged influence on the insurance marketplace for public entities. Social inflation and adverse liability claims experience for the public sector continue to limit the number of carriers available for public entity liability risks, and is ultimately impacting the availability of coverage and hindering competitive pricing options. The risk appetite of insurance carriers for public entity liability risks has diminished considerably over the last few years and there are no remarkable signs that the market is improving.

Primary factors driving market conditions include:

- **Excess Liability-** There are 63% fewer public entity insurance markets than 10 years ago leading to higher rates and limited capacity. Out-of-control jury verdicts and fewer insurance carriers are driving cost and availability of sufficient liability limits.
- **Law Enforcement Liability-** Law enforcement agencies are having difficulty finding qualified police recruits, and are pivoting to adjust to comprehensive police reforms, such as: cash bail, body worn cameras and additional training requirements. Public entity underwriters are alerted to negative police interactions on social media and are aware of the increased claims frequency and severity for law enforcement liability claims, such as: reverse conviction, excessive use of force, police pursuit and inmate suicides.
- **General Liability/Public Officials/Employment-Related Liability/Sexual Molestation-** Litigation funding, plaintiff-friendly legal decisions, large jury awards, employment regulatory scrutiny, active assailant and sexual abuse claims are driving premiums higher for public entities.
- **Cyber Liability-** While public entities are still a target for threat actors, significant rate increases are subsiding due to more cyber market entrants and better entity cyber scrutiny postures. Security measures like multi-factor authentication (MFA) and managed endpoint detection and response (EDR) are becoming pre-requisites for acceptable cyber coverage.

- **Property**- Catastrophic weather events continue to impact industry profitability. Inflation continues to compound supply chain challenges. The higher cost of construction and material costs continue to drive higher property valuations which impact claims costs. "Insurance to Value" is a concern for underwriters as there are potential gaps between insured property values and replacement cost valuation compounded by overall increases in reconstruction costs.
- **Workers' Compensation** Premiums remain stable and are largely loss dependent and payroll exposure based.

Insurance Renewal

The Village's incumbent insurance carrier is the Illinois Counties Risk Management Trust (ICRMT). As a whole, ICRMT continues to be well-positioned to weather this challenging insurance environment given their understanding of the Illinois public entity landscape (insuring over 470 Illinois public entities). The Village's pre-renewal premium indication projection was communicated by ICRMT to be less than a 10% increase from the expiring premium. The Village confirmed that insurance market competition would not be necessary this renewal. For reference, the Village conducted a competitive insurance market solicitation during the 12/1/2022 to 12/1/2022 renewal. It resulted in significant overall premium savings (\$164,384) from the previous term. The competitive process led to the Village moving its property, casualty and workers compensation coverage to the Illinois Counties Risk Management Trust (ICRMT). Since 12/1/2022, the Village's operational transition to the ICRMT has been smooth and has resulted several program enhancements:

- Property appraisal conducted (at no additional cost) in 2022 resulting in a complete and accurate accounting of the Village's property values.
- Risk Management Services are provided at no additional cost and include boots-on-the-ground support of the Village's operations, human resource policy consultation and support of Village-wide safety programs.
- Claims subrogation assistance for recovery of claim costs owed to the Village.

Alliant worked closely with Village staff and ICRMT to properly communicate the Village's underwriting information and exposures resulting in a favorable renewal for the Village.

Key factors impacted the insurance renewal for 12/1/2023 to 12/1/2024:

- **Property Values**- 9.2% increase in building values
- **Workers' Compensation**- Payroll increase of 14% (\$1,068,402) in comparison to the 12/1/2022 to 12/1/2023 renewal projection
- **Workers' Compensation**: The experience modification factor is holding steady at .88 which is positive.



- **Auto Liability/Physical Damage:** The vehicle schedule increased to \$3,029,221 in total (representing a 30% increase from expiring values). The difference is largely attributed to previously undervalued heavy trucks.

The significant payroll projection increase and vehicle schedule modifications were not anticipated by ICRMT. However, we were successful in negotiating a renewal that is very close to the 10% projected pre-renewal premium despite the public entity insurance hard marketplace and the exposure increases that resulted from the underwriting process. The total premium cost for the 12/1/2023 to 12/1/2024 policy period is \$643,322, representing a 10% increase from the expiring term.

It is important to note that the Village's property and assets are better accounted for and scheduled appropriately for coverage with ICRMT. Additionally, the Village has benefited by over \$200,000 in combined premium savings over the last two years having transitioned to ICRMT despite dramatically higher exposure values (Property Values- 117% higher, Payroll- 22% higher, Vehicle Values- 395% higher).

Conclusion

As always, Village staff (Marisol Leyva, Alyssa Arneson and Joe Caracci) were very helpful in organizing and providing underwriting data to enable a quick and timely renewal proposal. The Village continues to "out class" its public entity peers in its ongoing efforts to support risk management, safety and health throughout the Village. The dividends, while not always immediately measurable, are foundational to supporting a proactive culture that spans more than risk management and extends to all levels of the Village operations.

As always, Alliant and myself do not take our relationship with the Village for granted and appreciate the opportunity to represent the Village of Bensenville as your broker and partner. We are looking forward to a productive 2024.

We welcome discussion regarding this proposal.

Premium Summary

| | Expiring- ICRMT 12/1/2022 to 12/1/2023 | Renewal- ICRMT 12/1/2023 to 12/1/2024 |
|---|--|---|
| Package | ICRMT | ICRMT |
| General Liability Premium | Included | Included |
| Auto Liability Premium | Included | Included |
| Auto Physical Damage Premium | Included | Included |
| Law Enforcement Liability Premium | Included | Included |
| Public Officials / Employment Practices Liability Premium | Included | Included |
| Excess Liability Premium | Included | Included |
| Property Premium | Included | Included |
| Employee Benefits Liability | Included | Included |
| Inland Marine | Included | Included |
| Package Subtotal | \$333,307 | \$379,455 |
| | ICRMT | ICRMT |
| Workers' Compensation | \$250,732 | \$263,866 |
| | ICRMT | ICRMT |
| Crime | Included | Included |
| | ICRMT | ICRMT |
| Liquor Liability | Included | Included |
| | Chubb/Ace | Chubb/Ace |
| Underground Storage Tank Liability | \$1,708 | \$1,835 |
| Total Annual Premium (Estimated due to WC audited payroll) | \$585,747 | \$645,156 |

- Cyber Liability Renewal- February 1, 2024



Request to Bind Coverage

Village of Bensenville

We have reviewed the proposal and agree to the terms and conditions of the coverages presented. We are requesting coverage to be bound as outlined by coverage line below:

| Coverage Line | Bind Coverage for: |
|--|--------------------------|
| Illinois Counties Risk Management Trust (ICRMT) (Commercial Package, and Workers' Compensation) | <input type="checkbox"/> |
| <u>OTHER COVERAGE</u> | |
| Chubb/Ace Underground Storage Tank Liability | <input type="checkbox"/> |

Did you know that Alliant works with premium financing companies?

Are you interested in financing your annual premium?

Yes, please provide us with a
financing quote.

No, we do not wish to finance
our premium.

This Authorization to Bind Coverage also acknowledges receipt and review of all disclaimers and disclosures, including exposures used to develop insurance terms, contained within this proposal.

Signature of Authorized Insured Representative

Date

Title

Printed / Typed Name

This proposal does not constitute a binder of insurance. Binding is subject to final carrier approval. The actual terms and conditions of the policy will prevail.

ACCEPTANCE STATEMENT

Named Insured: Bensenville, Village of
Quote Number: R4-1001038-2324-01
Policy Year: DEC 01, 2023 - DEC 01, 2024

| | |
|-----------------------------|------------------|
| Total Annual Premium | \$643,322 |
|-----------------------------|------------------|

Terms and Conditions

- The Named Insured can only cancel the Policy at program anniversary and only if 90-day prior written notice of cancellation is given. If required notice is not given, full estimated premium is earned, due and payable.
- All terms and conditions of membership in the Illinois Counties Risk Management Trust are set forth in the Trust by-laws. A copy of this document is available for your review
- Per the Membership Agreement, the member must be with the Trust for 12 months prior to withdrawing and can only withdraw at anniversary date of effective date.

REQUESTED PAYMENT PLAN:

Annual 50/50 25/6

FEIN: 36-6005794

Acceptance Statement:

Please accept this as a formal confirmation that all terms and conditions, attached scheduled items, and premiums proposed by the Illinois Counties Risk Management Trust are accepted effective 12/01/2023.

Signature of Official

Date



ILLINOIS COUNTIES RISK MANAGEMENT TRUST

INVOICE

PRESENTED BY: ILLINOIS COUNTIES RISK MANAGEMENT TRUST

Named Insured: Bensenville, Village of

Quote Number: R4-1001038-2324-01

Policy Year: DEC 01, 2023 - DEC 01, 2024

| | |
|-----------------------------|------------------|
| Total Annual Premium | \$643,322 |
|-----------------------------|------------------|

Premium Due by Effective Date of Coverage.

Based upon the payment plan you select, the following down payment is due:

| | |
|-------------|------------------|
| Annual | |
| 50/50 | \$321,661 |
| <u>25/6</u> | <u>\$160,830</u> |

Please Make Checks Payable to:

Illinois Counties Risk Management Trust
PO Box 8291
Carol Stream, IL 60197-8291

| | |
|---------------------------|-------------------------|
| Named Insured: | Bensenville, Village of |
| Quote Number: | R4-1001038-2324-01 |
| Package Premium Remitted: | |



ILLINOIS COUNTIES RISK MANAGEMENT TRUST

Village of Bensenville- ICRMT Program Structure

12/1/2022 – 12/1/2023 (Property/Casualty/Workers' Compensation)



ICRMT- Program Structure

12/1/2022 – 12/1/2023

| ICRMT- Program Structure 12/1/2022 – 12/1/2023 | | | | | | | | | | | |
|---|---|----------------------|--|---|--|--------------------------------|---|------------------------|------------------------------------|--|--|
| \$10M Occurrence | \$10M Occurrence | \$10M Occurrence | \$10M Occurrence | Building Limit \$178,794,477 Personal Property \$6,209,120 | Sexual Abuse Liability- Claims-Made Each Occurrence: \$1M Annual Aggregate: \$1M Retroactive Date: 12/01/2021 Deductible: \$25,000 | Statutory (Unlimited) | | | | | |
| \$10M Aggregate | \$10M Aggregate | \$10M Aggregate | \$10M Aggregate | Extra Expense/ Business Inc. \$1,000,000 Mobile Equipment Above \$10,000 \$268,695 | Communicable Disease or Virus- Claims arising out of the actual or alleged transmission of a communicable disease or virus limited to \$1M each occurrence | Payrolls \$11,240,435 | | | | | |
| ICRMT | ICRMT | ICRMT | ICRMT | Mobile Equipment Under \$10,000 \$124,398 Equipment Breakdown \$100,000,000 | | Employer's Liability \$2.5M | | | | | |
| \$1M Occ. \$3M Agg. \$1M Prod/Comp | \$1M Occ. \$3M Agg. | \$1M Occ. | \$1M Occ. \$1M Agg. | \$2,404,685 88 Units | \$3,000,000 Limit Policy Period 2/1/2023-2/1/2024 | ICRMT | | | | | |
| \$25,000 Ded. | \$25,000 Ded. | \$25,000 Ded. | \$25,000 Ded. | \$25,000 Ded. | \$500,000 Limit ICRMT | CFC | | | | | |
| \$25,000 Ded. | \$25,000 Ded. | \$25,000 Ded. | \$25,000 Ded. | \$2,500 Ded. | \$15,000 Ret. | ICRMT | \$500K Limit First & Third Party Liability | | | | |
| \$25,000 Ded. | \$25,000 Ded. | \$25,000 Ded. | \$25,000 Ded. | \$5,000 Ded. | \$5,000 Ret. | Chubb / Ace | \$1M Limit | | | | |
| General Liability | Law Enforcement Liability Prior Acts Law Enforcement Tail Retro 8/20/2015 | Automobile Liability | Public Officials Employment Practices Liability Claims Made - Retro Date- 9/1/2006 Employee Benefits Retro 12/1/2018 | Property - Building and Contents (Mobile Equipment Deductible \$1,000) | Auto Physical Damage | Crime Employee Dishonesty | Cyber Liability | Violent Event Response | Underground Storage Tank Liability | Workers' Compensation And Employer's Liability | |

Revised 12/2010