

To: President and Members of the Munster Town Council

From: Patricia Abbott, Controller/Interim Town Manager

Date: December 16, 2024

Re: Binding of Insurance Coverage for 2025

The Town administers a self-insured program for its non-health insurance programs. Staff worked with its broker Gallagher the renew coverage for 2025. Overall, the Town had a good claims year, and four companies provided quotes. Following are the coverages and the recommended provider.

1. Ambridge – Package (general and law enforcement liability, employee benefits, automobile, errors and omissions, public officials and employment practices liability, property and crime)
2. Fireman’s Fund Insurance Company– Excess Property
3. Arch Insurance – Excess Workers Compensation (New provider with two-year guarantee)
4. Beazley Excess & Surplus Insurance, Inc. – Property/Boiler and machinery for Clubhouse and Amphitheater
5. Houston Casualty Company/Tokio Marine HCC – Cyber Liability
6. Federal Insurance Company – Property /Liability for Methane Plant

The Package carrier is being changed from Old Republic to Ambridge which has a lower loss fund but the same retention. When the Clubhouse is removed, Staff will notify the insurance carrier, and a pro-rated refund will be issued. No changes to retention levels were recommended.

Average premium increases are in the 7-9% range. Munster will see a 6% increase with a total premium and service fee of \$830,427.38. A large portion of the increase is due to increased property coverage and payroll cost. The premiums will be paid from the Self-Funded Liability Insurance Fund. There is \$800,000.00 budgeted for claims in 2025 which is paid from the same fund.

RECOMMENDED ACTION:

By motion and voice vote, authorize the Interim Town Manager to bind coverage for the liability insurance program as presented in the 2025 Proposal of Insurance.