



School District of Cudahy ***Cudahy, Wisconsin***

Committee of The Whole Meeting: July 22, 2024

Report Preparation: Brian Dasher

Agenda Item: 2024-25 Commercial Renewals

Background Information: Due to time constraints in late June, I had to bind coverage for 2024-25 on our commercial lines of insurance. However, we can make changes to our coverage if necessary. I did make some changes to our cyber liability policy. Given the increasing instances of cybercrime statewide and nationally, our limits were too low, hence the increase in premium for that line.

I also made a change to our property insurance. Renewing at our current level of coverage would have resulted in a premium increase of just under \$32,000, mainly due to the rise in our property values. To offset that increase, I opted to renew with a higher deductible. Our deductible was \$2,500. I renewed the policy with a \$25,000 deductible. I had also received a quote with a \$10,000 deductible. That premium would be \$14,000 higher than last year's policy.

Our broker also suggested we consider a new line of insurance to cover active shooter incidents. I have attached a summary of that coverage. In short, we have two options if we are interested in this insurance. Option 1 has a \$1 million limit for each loss occurrence and an annual aggregate of \$1 million. The premium for this option is \$9,663. Option 2 has a \$3 million limit for each loss and a \$3 million annual aggregate. The premium for this option is \$21,741.

Strategic Priority: Safe & Efficient School & District Operations

Administrative Recommendation: I recommend approving the 2024-25 commercial lines of insurance with active shooter insurance option 2.

Action: The following motion would be in order: "Move to approve the 2024-25 commercial lines of insurance with Option 3 for property insurance, Houston Casualty Company for cyber liability, and active shooter insurance Option 2."

Fiscal Note: The attached document compares the premiums for our expiring lines of coverage with the renewal premiums. I chose the red-outlined options for property insurance and cyber liability. The total cost of all lines, with the red options and the active shooter coverage, would be \$427,309, which is within the amount budgeted amount of \$445,000 for 2024-25.