

The Council for the Village of Montroville held a special Council meeting on Thursday, March 3, 2022 at 6:00pm in Council chambers. The purpose of the meeting was to hear presentations from two insurance agencies for the Village's casualty/liability insurance package.

The Pledge of Allegiance was recited by those present.

Present a roll call: Sue Rogers
Bob Whittacre
Chris Raftery
Craig Franklin
Sam Wiley
Joe Galea

And: Bonnie Beck, Fiscal Officer
Tom Gray, Administrator

Also attending at 6:00pm was Rob Beglin, from USI/PEP, and at 6:30pm John Hower, from the Ohio Plan.

The meeting was called to order by President pro-tem Chris Raftery. She invited Mr. Beglin to proceed with his presentation. After distributing policy materials, Mr. Beglin noted that USI/PEP is the second largest underwriters of insurance packages in Ohio, and our current carrier is number one. Their pool is run for the members by the members. They are up to 580 members and are the largest pool by premiums in the state. They can't look at three-year rates because the rates are being raised due to losses, and we can look for increased rates from all insurances. The cyber losses worldwide were over \$1 trillion, and that is a huge loss leader. Across the board, coverage is going down and rates keep increasing. We can expect to see a 5-7% increase next year, with the standard market going up about 30%. Right now USI/PEP has a significant amount of member equity. Sam asked if that meant they have collected more than they have paid out, and Rob said it did. Some of the highlights of their policy Mr. Beglin touched on were: they don't cap losses, they offer safety related grants (PPE, playground mulch, bulletproof vests, etc) and reimburse up to \$1000, sexual harassment training, best practices on several training opportunities, and a customizable and downloadable handbook free of charge to all members. Their main goal is to have us insured to value. The total amount of their proposal is \$30,468.

Mr. Hower was present at 6:30pm to do his presentation. After distributing policy materials, Mr. Hower stated that one of the nice things about their policy is that none of the items are depreciable for coverage, except for vehicles. They separated out any equipment that would be attached to a vehicle, such as a snow plow, and they insure them under inland marine because they do not depreciate the value of those. We have a separate cyber liability policy to save on costs. Mr. Hower explained that if we would decide to change carriers, the Ohio Plan would continue to take care of any claims that occur before the transfer of liabilities. He noted that this is something USI/PEP does not do. If we were a member of their group and transferred liabilities to another group, we would be responsible for any unpaid claims, even if they happened while still insured by USI/PEP. Mr. Hower also noted that if we were to get new appraisals, that would change the liability coverage according to the appraisal amounts. He reviewed the package proposal, pointing out some of the breakdowns. He shared some information regarding a few of the terms of their policy, such as a no strings attached occurrence policy, discounts on our insurance premium (\$2310 this year), and discounts on our Lexipol subscription.

Mr. Hower left the meeting at 7:00pm, and discussion ensued. Tom pointed out that we could eliminate a \$95,000 of overlapping liability if the school would agree to purchase the Marsh Field football stadium property. That is still a work in progress. Bonnie stated that she would like Council to know that the customer service from the Ohio Plan is excellent, and they have always responded to our claims quickly and completely. Sue pointed out that we don't know anything about the customer services from USI/PEP, and Bonnie acknowledged that. However, there's much to be said about the customer services we have been receiving. She also noted how knowledgeable and helpful their risk management person is. Council concurred that they would like to review all of the information provided, and asked Bonnie to check with the Ohio Plan regarding their cyber security proposal since it is so different from USI/PEP's proposal. The total amount of their proposal is \$30,679, plus \$1412 for the cyber security policy.

ADJOURNMENT

Joe Galea made a motion, seconded by Craig Franklin, to adjourn. Motion carried with all voting "yea." The meeting adjourned at 7:20pm.


Bonnie Beck, MMC, Fiscal Officer


Christina Raftery, President pro-tem