

Item #3:
Resolution Authorizing Liability Insurance Coverage

VILLAGE OF LONG GROVE
RESOLUTION NO. 2014-R-__

**RESOLUTION AUTHORIZING AN
TO BIND COVERAGE & COMPENSATION AGREEMENT WITH GALLAGHER**

WHEREAS, the Village previously entered into an agreement through Arthur J. Gallagher Risk Management Services, Inc. ("**Gallagher**") for Liability/Risk Insurance Coverage ("**Previous Coverage**"); and

WHEREAS, the Village has reviewed the proposal for the third year of coverage received from Gallagher and determined that their proposal was the most favorable to the interests of the Village;

WHEREAS, the Village and Gallagher desire to enter into the new Agreement for Liability/Risk Insurance Coverage;

NOW, THEREFORE, BE IT RESOLVED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF LONG GROVE, LAKE COUNTY, ILLINOIS, AS FOLLOWS:

Section 1: **Approval.** The Client Authorization to Bind Coverage and Compensation Agreement between the Village of Long Grove and Gallagher is hereby approved in substantially the form attached to this Resolution as Exhibit A.

Section 2: **Authorization.** The Village Manager of the Village of Long Grove is hereby authorized and directed to execute and attest the Client Authorization to Bind Coverage and Compensation Agreement on behalf of the Village of Long Grove.

Section 4: **Effective Date.** This Resolution shall be in full force and effect from and after its passage and approval in the manner provided by law.

PASSED this 9th day of December, 2014.

AYES: () Trustees:
NAYS: () None
ABSENT: () None

APPROVED this 9th day of December, 2014.

Village President, Angela Underwood

ATTEST:

Village Clerk, Heidi Locker-Scheer

EXHIBIT A

CLIENT AUTHORIZATION TO BIND COVERAGE & COMPENSATION AGREEMENT

DRAFT

Village of Long Grove

Client Authorization to Bind Coverage

After careful consideration of Gallagher's proposal dated 12/3/2014, we accept the following coverage(s). Please check the desired coverage(s) and note any coverage amendments below:

		LINE OF COVERAGE	CARRIER
<input type="checkbox"/> Accept	<input type="checkbox"/> Reject	Property, General Liability and Employee Benefits Liability, Public Officials Errors & Omissions/ Employment Practices Offense Automobile Liability/Auto Physical Damage Umbrella	Underwriters at Lloyd's London (Underwriters at Lloyd's London)
<input type="checkbox"/> Accept	<input type="checkbox"/> Reject	TRIA Coverage	
<input type="checkbox"/> Accept	<input type="checkbox"/> Reject	Equipment Breakdown	Travelers Property Casualty Co of America (Travelers Group)
<input type="checkbox"/> Accept	<input type="checkbox"/> Reject	Crime and Public Officials Bonds	Citizens Insurance Company of America (Hanover Insurance Companies)
INCLUDED		TRIA Coverage	
<input type="checkbox"/> Accept	<input type="checkbox"/> Reject	Workers Compensation	Illinois Public Risk Fund (Illinois Public Risk Fund)
N/A		TRIA Coverage	
TRIA Cannot be rejected		TRIA Coverage	

Producer/ Insured Coverage Amendments and Notes:

Client Initials

Village of Long Grove

Client Authorization To Bind Coverage

Provide Quotations or Additional Information on the Following Coverage Considerations:

Other Coverage Considerations

Yes No Cyber Risk

Note: Selecting the "Reject All or Accept All" option will override any selections that you have made above

Reject All Accept All Coverages for Consideration

It is understood this proposal provides only a summary of the details; the policies will contain the actual coverages.

We confirm the values, schedules, and other data contained in the proposal are from our records and acknowledge it is our responsibility to see that they are maintained accurately.

We agree that your liability to us arising from your negligent acts or omissions, whether related to the insurance or surety placed pursuant to these binding instructions or not, shall not exceed \$20 million, in the aggregate. Further, without limiting the foregoing, we agree that in the event you breach your obligations, you shall only be liable for actual damages we incur and that you shall not be liable for any indirect, consequential or punitive damages.

By: _____
Specify: owner, partner or corporate officer

Print Name

Date: _____

Village of Long Grove

Premium Summary

The estimated program cost for the options are outlined in the following table:

LINE OF COVERAGE		EXPIRING PROGRAM CARRIER		EXPIRING COST	PROPOSED PROGRAM CARRIER	ESTIMATED COST
Property General Liability and Employee Benefits Liability Public Officials Errors & Omissions/Employment Practices Offense	Premium	Underwriters at Lloyd's London (Underwriters at Lloyd's London)	Underwriters at Lloyd's London (Underwriters at Lloyd's London)	\$11,602	Underwriters at Lloyd's London (Underwriters at Lloyd's London)	\$15,957
Automobile Liability/Auto Physical Damage	Premium	Underwriters at Lloyd's London (Underwriters at Lloyd's London)	Underwriters at Lloyd's London (Underwriters at Lloyd's London)	\$1,305	Underwriters at Lloyd's London (Underwriters at Lloyd's London)	\$387
Umbrella	Premium	Underwriters at Lloyd's London (Underwriters at Lloyd's London)	Underwriters at Lloyd's London (Underwriters at Lloyd's London)	\$3,630	Underwriters at Lloyd's London (Underwriters at Lloyd's London)	\$3,554
Equipment Breakdown	Premium	Travelers Property Casualty Co of America (Travelers Group)	Travelers Property Casualty Co of America (Travelers Group)	\$970	Travelers Property Casualty Co of America (Travelers Group)	\$1,464
Crime and Public Officials Bonds	TRIA Premium	Citizens Insurance Company of America (Hanover Insurance Companies)	Citizens Insurance Company of America (Hanover Insurance Companies)	TRIA Included \$547	Citizens Insurance Company of America (Hanover Insurance Companies)	TRIA Included \$547
Workers Compensation	Premium Total Fees Estimated Cost Annualized Cost TRIA Premium	Illinois Public Risk Fund (Illinois Public Risk Fund)	Illinois Public Risk Fund (Illinois Public Risk Fund)	\$11,575 \$347 \$11,922	Illinois Public Risk Fund (Illinois Public Risk Fund)	\$11,059 \$332 \$11,391
AJG Service Fee				TRIA Included \$3,105		TRIA Included \$3,213
Total Estimated Program Cost				\$33,081		\$36,513

TRIA Premium of \$469 is not included in the above premiums. If coverage is not rejected the following additional premiums will be added: (Property \$294 / GL \$72 / Umbrella \$103)