

Minutes of Meeting
City of Ladue Insurance Committee
May 23, 2018, 9:00 a.m.

A meeting of the Insurance Committee for the City of Ladue was held on May 23, 2018 at 9:00 a.m. at Ladue City Hall. The following members were present:

Mr. Steve Hall, Chairman
Mr. Walter Klein, Vice Chairman
Martin Kerckhoff
Mr. Bob Roth
Mr. David Wells

City staff present were Ms. Laura Rider (City Clerk and Asst. to the Mayor), Mr. Sam Zes (Finance Director), Shelly Benson (Finance Clerk), and Lori Wrobel (Administrative Assistant). Also present were Mr. David Layton from the Charles Crane Agency; Mr. Mike Hanson and Mr. Joe Duncan, from the Daniel and Henry Company. Committee Advisor Dr. Jonathan Dehner was absent.

The meeting was called to order by Chairman Hall at 9:00 a.m. He asked for a motion to approve the agenda. Mr. Roth made the motion which was seconded by Mr. Klein and the motion passed unanimously. Chairman Hall asked for a motion to approve the minutes from the April 26th, 2018 meeting. Mr. Klein made the motion which was seconded by Mr. Roth and the motion passed unanimously.

There were no members of the public present.

Mr. Layton reviewed the Property, Liability, and Workman's Compensation proposals. He stated they marketed the insurance coverages for the City. In addition to the incumbent carriers, Travelers and Missouri Employer's Mutual; they approached One Beacon, Selective, and Chubb on the Property and Liability and Travelers on the Workers' Compensation. Selective is a new market for Public Entity risks and they target Cities with 10k or fewer in population, however, their quotation did not include either Employee Benefits Liability or Employment Practices Liability and their Umbrella limits were only \$5 million; therefore this was not a viable offering. One Beacon could not provide a dollar amount deductible for Wind and Hail and were not competitive on Loss of Sales Tax Coverage, however, Chubb was willing to quote on both as additions to the One Beacon package. Travelers submitted an attractive renewal quote on both the packages as well as a very competitive offer against Missouri Employer's Mutual for Workers' Compensation. The total package with Travelers comes in \$56,000 below last year, totaling \$383,944 versus \$440,610 in the expiring year. Mr. Layton stated given the good service, long-term relationship, and competitive quote, he recommends remaining with Travelers for Property and Liability coverages and accepting Travelers proposal for Workers' Comp package and switching from MEM.

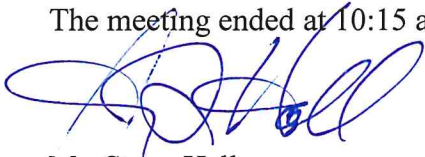
Chairman Hall made a motion to recommend approval for remaining with Travelers for Property and Liability coverages and accepting Travelers proposal for the Workers' Compensation package. Mr. Klein seconded the motion, which passed unanimously.

Mr. Hanson presented the Executive Summary of the 2018 Benefit Plan Renewals for Life and Disability Insurance and Voluntary Benefits (employee paid) which include; Critical Illness, Accident, and Short-Term Disability. Several carriers submitted competitive proposals, however, after Daniel and Henry was designated as the Broker of Record for these benefits, Mutual of Omaha (the City's current carrier) offered a reduction in the rates for the employer-paid Life insurance coverage which will result in an annual savings of \$4,000 with a 2-year rate guarantee. They also offered a further reduction of the LTD premium rates if the City adds one of the voluntary lines of coverage that have been proposed which equates to an additional \$1,200 reduction in the annual premium. Mr. Hanson stated Mutual of Omaha offers consolidated invoicing and a self-billing option for all lines of coverage. He explained this will allow the City to take full advantage of the D & H Navigator benefits administration system, which Daniel and Henry Co. has provided to the City at no cost.

Chairman Hall made a motion to recommend approval and accept the proposal from Mutual of Omaha to renew the Life and Long-Term Disability benefit plans, with a 2-year rate guarantee; as well as the proposal for Voluntary benefits which includes: Critical Illness, Accident, and Short-Term Disability coverages. Mr. Klein seconded the motion, which passed unanimously.

Mr. Klein made a motion to adjourn the meeting, which was seconded by Mr. Kerckhoff and the motion passed unanimously.

The meeting ended at 10:15 a.m.



Mr. Steve Hall
Chairman