

**Minutes of Meeting
City of Ladue
Insurance Committee
Wednesday June 8th, 2022 9:00 A.M.**

A meeting of the Insurance Committee for the City of Ladue was held on Wednesday June 8th, 2022 at 9:00 a.m. The following members were present:

Mr. Walter Klein, Chairman
Dr. Jonathan Dehner
Mr. Bob Roth
Mr. Pat Lawton

City staff present were Mr. Scott Kroenung (Finance Director); Ms. Stacey Mann (City Clerk) and Shelly Benson (Finance and HR Specialist). Also present was Mr. David Layton of the Crane Agency.

The meeting was called to order by Chairman Klein at 9:02 a.m. He asked for a motion to approve the agenda. Mr. Roth made the motion which was seconded by Dr. Dehner and the motion passed unanimously.

Public Forum: None.

Mr. Layton updated the committee on the status of the renewal. He stated the proposal reflects the current trends in the market due to the post-pandemic economy. Significant factors are inflation, law enforcement claims and ‘social inflation’ in judgements and high company loss ratios. One of the leading insurers for public entities, Intact (formerly One Beacon), closed its public entity practice entirely in March 2022. Their exit will influence market capacity. Property Valuations: As the City’s buildings are concentrated along Clayton Road, it was important to perform building valuations and obtain proper replacement costs for the non-building items, namely the traffic lights. It is possible for a single event, in particular a windstorm, to encompass all the City’s Buildings. Public Official’s Liability and Employment Practices Liability are up due to the overall loss trend in the sector. Law Enforcement Liability: Nationwide, losses are driving rate increases. This line of coverage was the main reason for Intact’s exit from the market. Cyber Liability: The insurance industry is still working to get control of claims. Workers’ Compensation: a few years ago, Travelers ‘bought’ the coverage with over a \$20,000 savings. However, the City’s Administration has found them difficult to deal with on claims. MEM offered a competitive quote which is roughly \$8,000 below Travelers and should provide an improved claim experience. Using the MEM Workers’ Compensation, we have an overall premium increase of 10.8%.

Dr. Dehner made a motion to remain with Travelers for all Property and Liability coverages and move Workers Comp coverage to Missouri Employers Mutual, which was seconded by Mr. Roth and the motion passed unanimously.

Mr. Roth made a motion to adjourn the meeting, which was seconded by Dr. Dehner and the motion passed unanimously.

The meeting ended at 9:35 a.m.

Mr. Walter Klein
Chairman