

VILLAGE OF LOMBARD  
REQUEST FOR BOARD OF TRUSTEES ACTION  
For Inclusion on Board Agenda

<u>          </u>	Resolution or Ordinance (Blue) <u>          </u> <i>Waiver of First Requested</i>
<u>  X  </u>	Recommendations of Boards, Commissions & Committees (Green)
<u>          </u>	Other Business (Pink)

TO: PRESIDENT AND BOARD OF TRUSTEES

FROM: Timothy Sexton, Director of Finance

DATE: December 2, 2025 (COW)(B of T) December 4, 2025

TITLE: Finance & Administration Committee Recommendation on 2026 Insurance Program

BACKGROUND/POLICY IMPLICATIONS:

The Village's 2026 Risk Management Program was presented by staff and the Village's Risk Management Consultant, Mike Nugent, to the Finance and Administration (F&A) Committee at their meeting on Monday, December 1, 2025. The total increase compared to the 2025 renewal is 0.98%. When preparing the 2026 budget, an estimated increase of 6% was included.

The F&A Committee unanimously voted to recommend approval of the 2026 Insurance Program as presented to the President and Board of Trustees. The renewal combines: Chubb Property for liability for property, mobile equipment, flood, and earthquake; Travelers, and Arch Specialty Insurance Co. for liability for general employee benefits, automobile (includes garagekeepers coverage), law enforcement, public officials errors & omissions, employment practices, boiler and machinery; Illinois Public Risk Fund (IPRF) for workers' compensation, employers liability; Hartford & Hiscox Insurance for crime; Hudson Insurance for Police and Fire Pension Plans fiduciary liability; and Associated Industries Insurance Co., Inc. for cyber liability, resulting in a total 2026 annual renewal cost **Not To Exceed \$778,816**. Village Board approval of the F&A Committee's recommendation will allow staff to execute the necessary contracts and agreements to assure that coverage is in place for January 1, 2026.

Review (as necessary):

Village Attorney X	_____	Date	_____
Finance Director X	<u><i>T. Sexton</i></u>	Date	<u>12/1/25</u>
Village Manager X	_____	Date	_____

NOTE: All materials must be submitted to and approved by the Village Manager's Office by 12:00 noon, Wednesday, prior to the Agenda Distribution.



## MEMORANDUM

To: Finance and Administration Committee

From: Timothy Sexton, Director of Finance

Date: November 17, 2025

Subject: Village Insurance Renewal

Please find attached the report from our Risk Management Consultant, Mike Nugent, on the 2026 insurance renewal program. Mr. Nugent will be at the Finance and Administration Committee meeting on December 1, 2025, to discuss his recommendation.

There are no material coverage changes year over year. The overall increase is 0.98%.

The Finance staff requests that the Finance and Administration Committee recommend the 2026 insurance renewal as recommended by Staff and Mr. Nugent to the Village Board at their December 4, 2025, Village Board of Trustees meeting.

November 13, 2025

Mr. Tim Sexton  
Village of Lombard  
255 East Wilson Avenue  
Lombard, IL 60148

Re: 2026 Insurance Renewal

Dear Tim:

Attached is a spreadsheet comparing the expiring cost to the renewal terms from current insurers.

The Village has held flood insurance on 530 Phillips Ct for years. However, the Village does not require this coverage for 2026, a savings of approximately \$3,000 over past years.

The Village is experiencing a decrease in the excess property and cyber insurance premiums for 2026.

There are no material coverage changes year over year. The overall increase is 0.98%, which is well under my August projection and where the overall market is currently.

Sincerely

Michael Nugent

## Village of Lombard 2026 Renewal

<i>Item</i>	2023	2024	2025	2026 Estimate	2026 Option 1	% Change
1 Excess Property	\$ 97,557	\$ 120,731	\$ 115,649	\$ 127,214	\$ 107,000	-7.48%
2 Liability and Excess	\$ 249,429	\$ 239,474	\$ 262,731	\$ 289,004	\$ 272,284	3.64%
3 Excess Liability	\$ -		\$ 50,735	\$ 55,809	\$ 52,805	4.08%
4 Boiler	\$ 3,200	\$ 3,399	\$ 4,015	\$ 4,216	\$ 4,151	3.39%
5 Crime	\$ 11,287	\$ 11,381	\$ 11,488	\$ 12,062	\$ 11,545	0.50%
6 Ex Workers Compensation	\$ 166,415	\$ 179,252	\$ 185,084	\$ 196,189	\$ 194,792	5.25%
7 Cyber	\$ 36,524	\$ 32,911	\$ 31,162	\$ 31,162	\$ 29,609	-4.98%
8 National Flood Insurance	\$ 2,399	\$ 2,399	\$ 2,800	\$ 3,080	\$ -	-100.00%
9 Police & Fire Pension Fiduciary	\$ 13,786	\$ 13,786	\$ 13,786	\$ 14,475	\$ 13,786	0.00%
10 Broker Fee	\$ 39,229	\$ 40,478	\$ 41,693	\$ 42,944	\$ 42,944	3.00%
11 Consulting	\$ 23,700	\$ 24,600	\$ 25,600	\$ 26,368	\$ 26,400	3.13%
12 TPA Fees	\$ 26,000	\$ 26,000	\$ 26,500	\$ 27,295	\$ 23,500	-11.32%
<b>Total Costs</b>	<b>\$ 669,526</b>	<b>\$ 694,411</b>	<b>\$ 771,243</b>	<b>\$ 829,818</b>	<b>\$ 778,816</b>	<b>0.98%</b>