City of Sunfish Lake
Sunfish Lake, Minnesota

Date: August xx 2024
To: Mayor and Council
From: Treasurer, Char Stark
Re: Excess Liability Insurance

Each year during the annual renewal of insurance coverage the city must decide if there is a need to increase the insurance liability coverage. The limits set by the State the individual claimant would be able to recover no more than $500,000 on any claim to which the statutory tort limits apply. The total, which all claimants would be able to recover for a single occurrence to which the statutory tort limits apply, would be limited to $1.5 million. If the city were to waive the Statutory limits the city would then purchase excess liability insurance. The claimant would then have the potential to recover up to $2 million on a single occurrence or more depending on the amount of excess insurance the City were to purchase. The risk of not purchasing excess liability insurance is if the City were to be sued and the lawsuit is moved to the Federal Court. At the Federal level the statutory tort limits do not apply, and the city would be liable for anything above $1.5 million. The decision before the Council is to decide on the below:

- Council to not waive the Statutory limits and accept the Insurance Premium as it is.
- Council to waive the Statutory limits and purchase excess liability insurance. Levels and pricing below:

Limit	Premium
$1M	$1,200
$2M	$2,400
$3M	$3,600
$4M	$4,800
$5M	$6,000

Attachments
Waiver
Insurance Renewal

Re: LMCIT Property/Casualty Renewal: City of Sunfish Lake - Renewal Quote and Proposal

Vicki Juelfs <vicki.juelfs@northriskpartners.com>
Tue 7/9/2024 8:32 PM
To:char.stark@comcast.net <char.stark@comcast.net>

4 attachments (6 MB)
Summary.pdf; Breakdown.xlsx; 24-25 City of Sunfish Lake Proposal.PDF; Liability Coverage Waiver Form.pdf;

Good Afternoon Char,

I'm following up on the email below. Please review and return the "Items Needed" listed below at your earliest convenience.

Let me know if you have any questions.

Thank you!
Vicki

From: Vicki Juelfs
Sent: Thursday, June 27, 2024 1:14 PM
To: char.stark@comcast.net
Subject: Re: LMCIT Property/Casualty Renewal: City of Sunfish Lake - Renewal Quote and Proposal

Hello Char,

Attached is the P&C renewal quote and NRP Proposal. Please review and let me know if you have any question. Once reviewed please return the "Items Needed" listed below at your earliest convenience.

Items Needed:
- Signed Proposal Page 14
- Signed Electronic Delivery Form Page 15
- Signed Liability Waiver Form Attached

Thank you!
Vicki

Overall premium is up 0.62% from expiring.

	Premium		
Coverage	2024	2023	% Change
Property	$ 100	$ -	#DIV/0!
First Party Cyber	$ 485	$ 485	0.00%
Municipal Liability	$ 1,540	$ 1,628	-5.41%
Auto Liability	$ 87	$ 83	4.82%
Bond	$ 373	$ 373	0.00%
Total Premium	$ 2,585	$ 2,569	0.62%

Comments on the above:
- Property premium is up as we added contents coverage for the City Hall midterm

- Municipal Liability premium is down due to rate decreases
- Auto Liability is up due to AL rate increases

Coverage/Rate Change Memos

Vicki Juelfs
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LEAGUE of MINNESOTA CITIES

LIABILITY COVERAGE WAIVER FORM

Members who obtain liability coverage through the League of Minnesota Cities Insurance Trust (LMCIT) must complete and return this form to LMCIT before their effective date of coverage. Email completed form to your city's underwriter, to pstech@lmc.org, or fax to 651.281.1298.

Members who obtain liability coverage from LMCIT must decide whether to waive the statutory tort liability limits to the extent of the coverage purchased. *The decision to waive or not waive the statutory tort limits must be made annually by the member's governing body, in consultation with its attorney if necessary.* The decision has the following effects:

- *If the member does not waive the statutory tort limits*, an individual claimant could recover no more than $500,000 on any claim to which the statutory tort limits apply. The total all claimants could recover for a single occurrence to which the statutory tort limits apply would be limited to $1,500,000. These statutory tort limits would apply regardless of whether the member purchases the optional LMCIT excess liability coverage.

- *If the member waives the statutory tort limits and does not purchase excess liability coverage*, a single claimant could recover up to $2,000,000 for a single occurrence (under the waive option, the tort cap liability limits are only waived to the extent of the member's liability coverage limits, and the LMCIT per occurrence limit is $2,000,000). The total all claimants could recover for a single occurrence to which the statutory tort limits apply would also be limited to $2,000,000, regardless of the number of claimants.

- *If the member waives the statutory tort limits and purchases excess liability coverage*, a single claimant could potentially recover an amount up to the limit of the coverage purchased. The total all claimants could recover for a single occurrence to which the statutory tort limits apply would also be limited to the amount of coverage purchased, regardless of the number of claimants.

Claims to which the statutory municipal tort limits do not apply are not affected by this decision.

LMCIT Member Name: City of Sunfish Lake

Check one:

☐ The member **DOES NOT WAIVE** the monetary limits on municipal tort liability established by Minn. Stat. § 466.04.

☐ The member **WAIVES** the monetary limits on municipal tort liability established by Minn. Stat. § 466.04, to the extent of the limits of the liability coverage obtained from LMCIT.

Date of member's governing body meeting: [redacted] 2024

Signature: ______________________

Position: Mayor of Sunfish Lake