

Executive Summary Commercial Insurance

Alliant Insurance Services worked closely with the County's risk management staff to gather necessary information to prepare a thorough underwriting submission. We greatly appreciate the support of these individuals and others who assisted in the development of the required underwriting and loss data.

In 2024, the insurance market for public entities continues to be challenging. Exposures unique to public entities are still heavily scrutinized by underwriters due to hyper social inflation and nuclear verdicts as well as law enforcement and SAM exposures. Further, property underwriters continue to expect valuation increases in keeping with current rates of inflation. Therefore, to ensure the best result available in the marketplace, we approached thirty-eight (38) carriers in all for proposals on the various lines of coverage.

Property:

We are thrilled to present the renewal from the incumbent carrier, Chubb. They were looking for valuation increases consistent with inflation, so they modified the statement of values to reflect a 3% increase on building values over expiring. With that, the overall annual premium has increased by 6.8%, including the increased values. They value the partnership with DuPage County, and this renewal is lower than the average in today's property insurance marketplace. The overall policy rate remains under \$0.04, and with that competitive rate, we requested if they might be willing to provide a rate guarantee to lock-in the rate for next year as well. Rate guarantees have been unavailable for several years now, and are still not really available, but Chubb agreed they are open to discussing the rate guarantee for DuPage County.

Excess Liability and Excess Workers Compensation:

Safety National continues to offer the best option for the lead excess layer and the workers compensation. Premiums are increased from expiring, but this is largely due to increased payroll and overall budget numbers. Rates are increasing only 3% on the workers compensation and 6% on the lead excess. On the excess layers, Upland provided a competitive renewal proposal on the \$5 million layer above Safety National, increasing their layer pricing by less than the underlying. AWAC has provided their renewal quote to maintain their \$10 million layer to complete the full \$20 million limit. We received no other quotes that were competitive with this program pricing.

Ancillary Lines such as Employment Liability, etc.:

As we typically see, many of the small premium policies and ancillary lines have renewal premiums that are very close to the expiring rates. The main exception this year is in the accident policies for the volunteers and ride-along. In addition, as we usually see at renewal, the underground storage tank premium increases as the tanks continue to age.

Cyber Liability Insurance:

Alliant did a thorough marketing the last several years in a row, which lead to a change in primary carriers last year to Coalition from long term carrier Beazley. Due to the state of the market last year, and DuPage's increased security measures, Coalition presented the most competitive proposal among the eleven carriers approached and four proposals received. In 2023, the Coalition proposal enabled the County to increase cyber limits from \$1,000,000 to \$3,000,000 and reduce the retention from \$1,000,000 to \$250,000 with 14% lower premium than in 2022. In 2024, the cyber market for public entity clients is still difficult with frequency and security issues. Therefore, for the 2024-2025 renewal, given the marketing results last year and the great renewal terms and slightly reduced premium, Coalition is the recommended proposal for renewal.