

# Insurance (Risk Management)

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Executive Manager/Finance Ass't

To provide cost-effective liability, auto, property, cyber security, crime bond and surety bond coverage of all essential town operations. To provide cost-effective workers' compensation insurance as required by law.

## Fiscal Year 2022-2023 Major Service Level Accomplishments

- Maintained cost-effective coverage of all essential town operations. Continued with combined Board of Education and Town of East Haddam policies to obtain savings.
- Employees attended in-service training sessions. Safety Committee reviews all risk management incidents and plans course of action to avoid repeat offenses.
- On-line training opportunities were offered to staff and public safety volunteers through CIRMA's E-Learning Center. Various CIRMA webinars/whitepaper alerts were distributed to appropriate staff for review.

## Fiscal Year 2023-2024 Major Service Level Goals

- Continue to work to obtain the best coverage for the best price.
- Continue to educate employees in risk management to reduce work-related injuries.
- Encourage employees to attend CIRMA training workshops.

## Additional Budget Information

**Workers' Compensation:** CIRMA has only provided preliminary budget indications at the present time. At this point, we have included a 3% rate increase from last year's premium for exposure changes in addition to our standard payroll increase of 3%.

**Liability/Auto/Property:** CIRMA has only provided preliminary budget indications at the present time. At this point, we have included a 5% rate increase from last year's premium. 5% is added to account for endorsements and deductibles. The Town will be entering the second year of a three-year budget stabilization agreement of a 0% first year, 5% second year and 5% third year maximum rate increase.

**Surety Bonds:** Surety bonds for the Tax Collector and Treasurer are included in the liability insurance budget line.

**Cybersecurity Policy:** Two years ago, CIRMA was officially notified by the carrier that provides the Pool's Master Cyber Program (which we had access to at no direct cost), regarding non-renewal of this policy. Over the past year, we have been exploring alternative long-term, sustainable solutions for our cyber needs with CIRMA. Four protections were required to be in place for both the Town and BOE in order to pursue a quote for a cyber policy. Our Technology Department worked on these items and communicated with CIRMA on our progress. CIRMA has access to the cyber marketplace and the ability to place an individual cyber policy for their members. An individual cyber policy was introduced in August 2022 for \$22,098.00 for both the Town and Board of Education.

## Expenditures by Expense Type

Name	Account ID	FY2020 Actual	FY2021 Actual	FY2022 Actual	FY2023 Budgeted	FY24 Requests as of 2-9-23b (General Fund)	FY2023 Budgeted vs. FY24 Requests as of 2-9-23b (General Fund) (\$ Change)	FY2023 Budgeted vs. FY24 Requests as of 2-9-23b (General Fund) (% Change)
Expense Objects								
Employee Benefits								
WORKERS' COMPENSATION	10541690- 52310	\$100,725	\$105,862	\$105,010	\$112,000	\$110,000	-\$2,000	-1.8%
Total Employee Benefits:		\$100,725	\$105,862	\$105,010	\$112,000	\$110,000	-\$2,000	-1.8%



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Purchased Other Services								
CYBER SECURITY POLICY	10541690				\$20,000	\$12,000	-\$8,000	-40%
COMMERCIAL CRIME POLICY	10541690-55200	\$852	\$852	\$852	\$1,000	\$1,000	\$0	0%
LIABILITY INSURANCES	10541690-55205	\$115,058	\$123,131	\$118,339	\$125,000	\$131,000	\$6,000	4.8%
Total Purchased Other Services:		\$115,910	\$123,983	\$119,191	\$146,000	\$144,000	-\$2,000	-1.4%
Total Expense Objects:		\$216,635	\$229,845	\$224,201	\$258,000	\$254,000	-\$4,000	-1.6%