

REGULAR BOARD MEETING

Meeting Date: 04/16/26

Business Item: ROUTINE BUSINESS

Item Number: **4F**

Division: Finance

Originating Source: Shaan Hamilton, Director/CFO

Agenda Item: Authorization to Pay Liability Insurance Premiums

Superintendent's Recommendation:

MOTION TO APPROVE PAYMENT OF THE 2026 LIABILITY INSURANCE PREMIUM TO GALLAGHER IN THE AMOUNT OF \$292,239 AND AUTHORIZE THE CHIEF FINANCIAL OFFICER TO PROCESS AND PAY PREMIUM ADJUSTMENTS FOR LIABILITY AS NEEDED DURING THE YEAR.

Background:

The Park District seeks to procure specialized liability insurance coverage for the Hyland Hills Ski Area, Elm Creek Winter Recreation Area, and climbing wall operations at Baker Park from Arthur J. Gallagher Risk Management Services, LLC (Gallagher). This insurance is similar to specialized insurance provide by Gallagher in 2025. This insurance protects the Park District from liabilities that are not covered by the Minnesota Counties Intergovernmental Trust (MCIT), which has provided general property and liability insurance since 2002.

Gallagher has provided quality service at a reasonable price for the specialized insurance needed by the Park District. The estimated premium for 2026 is \$292,239 (or \$21,596 more than the 2025 premium). The 2026 estimated premium is based on an increase in rates of 7.98%. Due to the size of the payment, Board approval is required. The premium will be charged to the Risk Management Fund, which is funded from the General Fund and the Hyland Hills Ski Area Fund. Approval of the motion will allow the Finance staff to process and pay the premium, including any adjustments to the estimated premium amount due to installments charges, taxes, and surcharges that are not included in Gallagher's estimated premium quote.

Relationship to the System Plan:

The Request for Action supports the following goal(s) of the System Plan:

Goal 3: Lead by Example
by managing the Park District's financial affairs in a fiscally responsible manner.