

# UPPER GWYNEDD TOWNSHIP BOARD OF COMMISSIONERS

## SPECIAL MEETING MINUTES

April 30, 2020

4:30 pm

This meeting was held virtually due to the COVID-19 pandemic. The public was notified of the special meeting via an ad in The Reporter as well as our website and other social media. The public was invited to call in and ask questions.

### **Liz K. McNaney, PRESIDENT** **Finance/Personnel/Administration**

#### 1. Call to order

The April 30, 2020, Special Meeting of the Upper Gwynedd Township Board of Commissioners was called to order by President of the Board, Liz K. McNaney at 4:31 pm.

#### 2. Pledge of Allegiance

Mrs. McNaney led the Pledge of Allegiance

#### 3. Roll Call

Roll call was taken by Deanna Logan, Administrative Assistant to the Township Manager. The individuals in attendance were:

Liz K. McNaney	President
Denise M. Hull	Vice-President
Martha A. Simelaro	Commissioner
Ruth S. Damsker	Commissioner
Katherine D. Carter	Commissioner
Sandra Brookley Zadell	Township Manager
Megan Weaver	Assistant Township Manager
Lauren Gallagher	Township Solicitor
David W. Duffy	Chief of Police
David Brill	Finance Director

#### 4. Announcement of Executive Sessions

Ms. Gallagher announced there were executive sessions held on the following dates;

- April 13, 2020 for the continuance of the Emergency Declaration which will subject to ratification on May 4, 2020
- April 14, 2020 a video conference with the Board of Commissioners and staff regarding sewer testing. There was no deliberation or official action taken
- April 20, 2020 for the continuance of the Emergency Declaration which will be subject to ratification on May 4, 2020
- April 21, 2020 video conference with the Board of Commissioners and staff regarding Parks and Recreation matters. There was no deliberation or official action taken
- April 22, 2020 video conference with the Board of Commissioners regarding insurance matters. There was no deliberation or official action taken
- April 27, 2020 video conference with the Board of Commissioners and staff regarding insurance. There was no deliberation or official action taken

## UPPER GWYNEDD TOWNSHIP BOARD OF COMMISSIONERS

### 5. Public comments and concerns (limit of five minutes per individual)

There were none

Ms. Weaver said she received a question regarding one of the agenda items. It will be presented during the appropriate agenda item.

#### **Presentation by Sandra Zadell (See attached presentation)**

Workers Comp and Property and Liability Insurance

Mrs. Zadell said at budget time, we began to look at insurance options. We have been with our current carrier (Selective) for approximately twenty (20) years. Upper Gwynedd Township is also part of a nonprofit intergovernmental insurance trust for our health insurance through the Delaware Valley Insurance Trust. We evaluated our current carrier and the non-profit trust and proposals were sought from both carriers.

Mrs. Zadell stated that trusts are member owned, so surplus is returned to members in three ways; through rate stabilization credits, safety grants and dividends. The trusts are governed by intergovernmental agreements. She said traditional insurance companies may provide dividends, but they tend to have higher administrative costs and profits. Mrs. Zadell said the longer you are a member of the trust, the higher the dividends and stabilization credits will be. She mentioned several value-added benefits with the trust including on-site training, safety inspections, on call risk consulting, background checks and more. Changing to the trust gives us increased coverage limits on flood insurance for our WWTP and gives us coverages that we do not currently have; active shooter, cyber security and abuse/molestation coverage. Mrs. Zadell said most of our neighboring municipalities are trust members because of the cost savings through shared services.

Mrs. Zadell presented a spreadsheet showing cost and coverage through our current carrier and the proposed carrier. Coverage through DVIT will cost approximately \$3,000 more per year but we will receive a multi insurance discount on our health insurance premium of approximately \$51,000. She reviewed the dividends we receive from Selective and presented what our dividends will be if we choose DVIT. We currently receive approximately \$33,000 per year in dividends. If we go with DVIT, we could receive a much higher dividend return after years two (2) and three (3).

Mrs. Zadell recommended the Board of Commissioners join the DVIT for Liability and Workers Compensation Insurance for future cost saving measures.

Mrs. McNaney asked Mrs. Zadell to explain the reserve that DVIT would have for us. Mrs. Zadell said for the Workers Compensation Trust, their unrestricted fund balance is over \$20.8M as of the end of 2018 and the unrestricted fund balance of the Liability Trust is \$24.6M. Decisions regarding these reserves is by their Executive Committee upon recommendation of the trust staff. She added, the trusts are very financially solid.

Bob Solarz, Executive Director of DVIT said the trust works with actuaries and underwriters and conduct an evaluation of the appropriate amount of reserve to carry and since the trust is comprised of governmental entities, the trust runs on the conservative side. We make sure the reserves are strong to cover municipal risk. He said the reserves are a function of time and the type of risk involve. Jim Thompson, trust underwriter, said the workers compensation trust is regulated by Labor and Industry. They approve the rates each year, review the financials and approve the terms to the members each year. This regulation gives the commissioners of additional level of comfort.

Chief Duffy said most of his colleagues in the Montgomery County Police Chiefs Association have experience with DVIT liability and workers compensation and have only positive things to say about their experiences. Chief Duffy said DVIT is the benchmark for professional insurance supports the Township's participation in the plans.

Mrs. McNaney asked if there are any public questions.

Mike Fellmeth, 112 Cardinal Way, asked what kind of underwriting is performed in accepting members into the trust and when do you stop accepting members to avoid adverse risk?

## UPPER GWYNEDD TOWNSHIP BOARD OF COMMISSIONERS

Jim Thompson, trust underwriter, said we look closely at losses and exposures of each applicant for membership in the trust. Often we have recommended declarations to the executive and membership committees. Upper Gwynedd Township is an excellent risk on the Workers Compensation side and the Liability side is also very favorable with respect to exposures and losses. He added, a risk control consultant inspects the operation and will either recommend acceptance or a declaration. The risk consultant recommended Upper Gwynedd Township to the executive committee for membership into the trust. The members of the trust also have to approve memberships. Both have approved Upper Gwynedd Township for membership into the trust.

Mr. Fellmeth asked, how many members are allowed into the trust?

Mr. Thompson said there is no limit for membership into the trust. The trust currently has sixty-six (66) members for liability and ninety-one (91) members for workers compensation. He added, only one or two members are added per year. There is a one-time expense of the trust of \$30,000 and it will not repeat.

Mr. Fellmeth commented that the due diligence of DVIT is crucial to the health of the trust.

Mrs. McNaney asked if any callers had any other questions. Mr. Brill said this exercise was done 5-6 years ago and we got proposals from other companies and we chose to stay with Selective at that time. Mrs. McNaney asked how often we should look at our insurance. Mr. Brill said it makes sense to look at the coverage every 4 – 6 years to validate the cost vs coverage. Mrs. Zadell added that with a trust, there is more cost benefits the longer you are a member of a trust. She said we will review the trust financials on a yearly basis.

Ms. Weaver said she received a question from Beth Miller who asked if this is new coverage. The question was answered. Ms. Weaver said Mr. Fellmeth asked a question a few days ago; when was the RFP sent out? Mrs. Zadell said there was no RFP as proposals were commissioned by our two (2) current carriers.

Mr. Brill said the DVIT health insurance premium coverage was less this year as a result of stabilization benefits.

### 6. [Motion to approve Resolution 15-2020, Worker's Compensation Insurance through DVHT](#)

Hearing no public questions or comments, upon motion by Mrs. Damsker, seconded by Mrs. Simelaro, the motion was unanimously approved.

Roll call vote:	President McNaney	Aye
	Vice President Hull	Aye
	Commissioner Simelaro	Aye
	Commissioner Carter	Aye
	Commissioner Damsker	Aye

### 7. [Motion to approve Resolution 16-2020, Liability Insurance through DVHT](#)

Hearing no public questions or comments, upon motion by Mrs. Hull, seconded by Mrs. Damsker, the motion was unanimously approved.

Roll call vote:	President McNaney	Aye
	Vice President Hull	Aye
	Commissioner Simelaro	Aye
	Commissioner Carter	Aye
	Commissioner Damsker	Aye

## UPPER GWYNEDD TOWNSHIP BOARD OF COMMISSIONERS

**Denise M. Hull, VICE PRESIDENT**  
**Zoning/Planning/Code Enforcement**

**Katherine D. Carter**  
**Public Safety**

**Ruth S. Damsker**  
**Public Works/Parks/Recreation**

**Martha A. Simelaro**  
**Wastewater Treatment**

### **Other Business**

#### **8. Call for Adjournment**

Mrs. Zadell thanked the Commissioners for considering this change of insurance. Mrs. McNaney thanked Mrs. Zadell for her informative presentation. Mrs. Zadell said Mr. Brill did a lot of the background work and thanked the trust team for making this work for Upper Gwynedd Township.

Mr. Solarz thanked the Board of Commissioners for the vote of confidence and welcomed their membership to the trust.

Mrs. McNaney said the next Board of Commissioners Public Meeting will be on Monday, May 4, 2020 at 7:00 pm

Mrs. McNaney adjourned the meeting at 5:27 pm.

Respectfully Submitted,

Sandra Brookley Zadell  
Secretary

/djl

**Approved May 18, 2020**

# UGT WORKS COMP AND PROPERTY AND LIABILITY INSURANCE RENEWAL OPTIONS

Special Meeting April 30, 2029



## BACKGROUND

- Renewal from our current carrier is May 1, 2020
- UGT has been with our same broker and carrier for approximately 20 years
- UGT also is part of a nonprofit intergovernmental insurance trust (self insured risk pool) for our health insurance through Delaware Valley Insurance Trust (DVIT)
- The goal was to evaluate our current model of commercial carrier vs the DVIT self-insured risk pool nonprofit intergovernmental trust model
- Proposals for renewal were sought from our two current providers, DVIT and our broker through Univest

WHAT IS A SELF-INSURED RISK POOL  
NONPROFIT INTERGOVERNMENTAL  
INSURANCE TRUST SPECIFICALLY DVLТ OR  
DVWCT?

- The trusts are member owned, so member surplus is returned to members in three ways- through rate stabilization credits, safety grants, and dividends.
- The trusts are governed by intergovernmental agreements and membership is made up entirely of school districts, authorities and municipalities.
- This is a different and unique way to provide insurance services to municipalities vs traditional insurance companies who may provide dividends but also have higher administrative costs and profits.

## WHAT ARE THE BENEFITS OF DVIT OVER TRADITIONAL INSURANCE BROKERS OR FOR-PROFIT PROVIDERS?

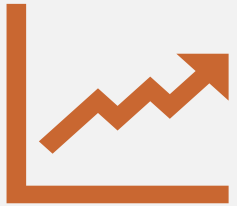
- General benefits include:
  - Rate stabilization
  - Higher dividends credit calculations the longer you are a member
  - Members are owners
  - Value added member benefits
  - Specific services tailored towards municipal clients
- **Intergovernmental cooperation which is encouraged *PA Purchasing Handbook* published by the PA Department of Community and Economic Development (DCED)**



## WHAT ARE “VALUE ADDED BENEFITS”?

- Additional on-site training and online lending library, risk management bulletins, risk control webpages and sample policies
- Safety inspections tailored to our organization that allows us at budget time to make decisions on what are important projects that need to be addressed to increase safety and reduce liability.
- On call risk consulting
- Information Technology Services
- Background checks for employees
- Strong Case Management for Workers Comp
- Many of these are services we currently pay for and will create additional reduced costs and time for our staff (trainings, background checks, legal consultations, etc.)
- Multi Trust Discounts- There are three trusts Health, Property and Liability and Workers Comp. You qualify for additional discounts at higher levels with additional membership.

## SPECIFIC TO UGT WHAT IS DVIT OFFERING THAT WE DON'T CURRENTLY HAVE IN OUR COVERAGE?



**Increased  
aggregate  
coverage limits  
Including  
increased limits  
on flood  
insurance for  
one of our most  
important assets  
the WWTP**



**Three types of coverage our current providers  
did not offer as **part** of the standard package:**

- Active shooter Coverage
- Cyber Security Coverage
- Abuse or Molestation Coverage

**\*\* We will need to keep our Pollution Coverage with Selective through 2021 as DVIT doesn't offer it at this time, but are working to add it to their coverage offering in 2021.**

# COST CONSIDERATIONS

- [U:\BOC\DVIT\Copy of Net Cost Summary 2020 - FINAL.xlsx](#)

# COST CONSIDERATIONS

## Net Cost of Membership



4/24/2020

### Sample # 1 - Medium Size; Long-Term Member

Item	TY 2010	TY 2011	TY 2012	TY 2013	TY 2014	TY 2015	TY 2016	TY 2017	TY 2018	TY 2019	Totals	RSF as of Jan. 1, 2020
Premium Contributions	187,433	181,298	192,222	196,105	195,028	188,326	190,320	178,961	178,931	201,312	1,889,936	RSF Avail. Bal.
Multi-Trust Discounts	5,623	5,439	5,767	7,844	7,801	7,533	7,613	8,849	8,860	9,836	75,165	18,899
RSF Amounts Taken	41,504	53,589	50,849	54,501	0	112,884	40,029	31,913	0	50,277	435,546	RSF Remaining
Dividends	80,695	59,535	53,200	58,270	50,510	51,095	47,970	59,935	35,550	38,120	534,880	14,507
Safety Grant Allocations	3,482	3,482	3,658	3,658	3,825	3,825	3,805	3,805	3,537	3,537	36,614	Percent Net
Net Cost of Membership	56,129	59,253	78,748	71,832	132,892	12,989	90,903	74,459	130,984	99,542	807,731	43%

### Sample # 2 - Medium Size; Recent Member

Item	TY 2010	TY 2011	TY 2012	TY 2013	TY 2014	TY 2015	TY 2016	TY 2017	TY 2018	TY 2019	Totals	RSF as of Jan. 1, 2020
Premium Contributions							96,225	165,256	174,142	185,623	621,246	RSF Avail. Bal.
Multi-Trust Discounts							2,887	6,448	6,740	8,760	24,835	2,111
RSF Amounts Taken							0	0	0	0	0	RSF Remaining
Dividends							0	0	3,290	8,205	11,495	1,770
Safety Grant Allocations							1,500	1,500	3,222	3,222	9,444	Percent Net
Net Cost of Membership	0	0	0	0	0	0	91,838	157,308	160,890	165,436	575,472	93%

### Sample # 3 - Large Size; Long-Term Member

Item	TY 2010	TY 2011	TY 2012	TY 2013	TY 2014	TY 2015	TY 2016	TY 2017	TY 2018	TY 2019	Totals	RSF as of Jan. 1, 2020
Premium Contributions	213,740	208,817	218,671	217,957	218,857	230,543	227,167	256,453	267,711	273,692	2,333,608	RSF Avail. Bal.
Multi-Trust Discounts	4,275	4,176	4,373	6,539	6,566	6,916	6,815	9,658	10,030	10,189	69,537	20,604
RSF Amounts Taken	43,173	57,552	53,617	32,817	89,235	50,705	42,278	33,078	28,816	25,563	456,834	RSF Remaining
Dividends	67,260	51,840	52,900	48,945	49,745	50,345	43,745	52,950	50,455	44,400	512,585	17,595
Safety Grant Allocations	4,272	4,272	4,213	4,213	4,251	4,251	4,658	4,658	4,826	4,826	44,439	Percent Net
Net Cost of Membership	94,761	90,978	103,568	125,443	69,060	118,326	129,671	156,109	173,584	188,714	1,250,213	54%

# COST CONSIDERATIONS

## Net Cost of Membership



4/24/2020

### Sample # 4 - Medium Size; 6 Year Member

Item	TY 2010	TY 2011	TY 2012	TY 2013	TY 2014	TY 2015	TY 2016	TY 2017	TY 2018	TY 2019	Totals	RSF as of Jan. 1, 2020
Premium Contributions					46,563	111,161	107,105	107,723	102,056	107,909	582,517	RSF Avail. Bal.
Multi-Trust Discounts					1,821	4,446	4,284	5,222	4,966	5,045	25,784	2,766
RSF Amounts Taken							0	1,040	2,471	4,894	8,405	RSF Remaining
Dividends					0	0	7,560	14,200	13,615	15,190	50,565	3,722
Safety Grant Allocations					1,500	1,500	2,246	2,246	2,087	2,087	11,666	Percent Net
Net Cost of Membership	0	0	0	0	43,242	105,215	93,015	85,015	78,917	80,693	486,097	83%

### Sample # 5 - Large Size; Long-Term Member

Item	TY 2010	TY 2011	TY 2012	TY 2013	TY 2014	TY 2015	TY 2016	TY 2017	TY 2018	TY 2019	Totals	RSF as of Jan. 1, 2020
Premium Contributions	351,789	354,280	356,429	355,420	329,266	314,058	306,937	327,918	344,306	373,066	3,413,469	RSF Avail. Bal.
Multi-Trust Discounts	10,554	10,628	10,693	10,663	9,878	9,422	12,277	15,402	16,001	17,287	122,805	144,898
RSF Amounts Taken	36,553	50,746	50,057	70,686	63,529	0	71,500	35,190	0	48,300	426,561	RSF Remaining
Dividends	93,440	58,940	66,915	75,615	88,010	82,955	33,600	99,605	78,520	66,760	744,360	27,206
Safety Grant Allocations	6,828	6,828	7,148	7,148	6,933	6,933	6,346	6,346	6,157	6,157	66,823	Percent Net
Net Cost of Membership	204,415	227,139	221,616	191,308	160,916	214,748	183,214	171,375	243,628	234,562	2,052,920	60%

## COST CONSIDERATIONS

- In the short term we will need to give up our current dividends from our private insurance carrier which average \$33,700 per year.
- We will be eligible for dividends with the Property and Liability Trust in 2 years and with the Workers Comp trust in 3 years if the Board decides to move to the Trust.
- Trust membership benefits grow with longevity in the trust and with more membership (i.e. being a multiple trust member)
- DVIT provides multi trust discount that provides us an approx. \$51,000 discount on our Health Insurance Premium. The numbers we are looking at are a snapshot. An increased discount on Health Insurance premiums will continue to be a benefit each year because this is a very expensive item for the Township each year and health insurance costs rise each year.

## SUMMARY

In the end, whichever decision the BOC makes today is beneficial to our budget because we will have saved significantly this year on our Workers Comp and Property and Liability Insurance. In engaging in this exercise to look at an intergovernmental trust option our current carrier also provided much lower rates for our consideration.

It is my recommendation that the BOC considers joining the DVIT trusts for Liability and Worker Compensation Insurance to further expand our intergovernmental cooperation, further expand our participation in the nonprofit self-insured risk pool insurance market and to help keep costs low for the Township. I believe that this model of insurance has long term cost benefits that the commercial market has trouble competing with. I also believe the value-added benefits help to keep our employees well trained, safe and keep all of us properly insured with insurance that is tailored to our needs.

**Upper Gwynedd Township  
Net Cost Comparison Exhibit  
Effective: May 1, 2020**

5/7/2020

Coverage	Current Program - Selective, Travelers, Chubb and XL Catlin	Delaware Valley Trusts - Estimated 2020 Annual	Current Program - Selective, Travelers, Chubb and XL Catlin
<b>Real &amp; Personal Property</b>	<b>\$38,287</b>	<b>\$104,603</b>	<b>\$32,932</b>
Per Occurrence Deductible	\$1,000	\$1,000	
Limit	\$59,317,100 blanket limit	\$1,000,000,000 loss limit	
Coinsurance	Agreed Value	Agreed Value	
Flood	\$5,000,000	\$150M annual agg shared with membership	
Flood - Zone A	Included above	\$75M annual agg shared with membership	
Flood Deductible	\$25,000	\$25,000 per occ with \$50,000 per occ for Zone A and higher hazard locations	
Earthquake	\$5,000,000	\$50M annual agg shared with membership	
Terrorism	included	\$25M annual agg shared with membership	
<b>Boiler and Machinery</b>	<b>\$12,730</b>	<b>incl. in Property above</b>	<b>\$12,730</b>
Property Damage Limit	\$10,000,000	\$100,000,000 each accident	
Business Interruption	Included in above	\$500,000	
Extra Expense	Included in above	\$50,000,000	
Deductible	\$1,000	\$1,000 (property damage); 24 hours (BI/EE)	
<b>Inland Marine</b>	<b>\$19,622</b>	<b>incl. in Property above</b>	<b>\$17,970</b>
Mobile (Contractors) Equipment	Individual limit for each scheduled item	incl. in Property above without sublimit per item, scheduling requirement or separate stacking ded.	
Deductible	\$500	incl. in Property above without sublimit or separate stacking ded.	
<b>Crime</b>	<b>\$2,694</b>	<b>\$1,373</b>	<b>\$2,694</b>
Employee Theft	\$1,000,000	\$3,000,000	
Forgery or Alteration	\$250,000	\$3,000,000	
Computer and Funds Transfer Fraud	No Coverage	\$3,000,000	
Inside the Premises- Theft of Money and Securities	No Coverage	\$250,000 (\$1,000,000 checks)	
Outside the Premises- Theft of Money and Securities	No Coverage	\$250,000 (\$1,000,000 checks)	
Deductible per loss	\$5,000 for Employee Theft and \$2,500 for Forgery or Alteration	\$1,000 but \$0 for Forgery or Alteration	
<b>Business Income and Extra Expense</b>	<b>incl. in Property above</b>	<b>Included in Property above</b>	
Extra Expense	incl. in Business Income	\$50M	
Business Income	Actual loss sustained	\$500,000	
Ded. or waiting period	72 hr. waiting period	24 hr. waiting period	
<b>PROPERTY SUBTOTAL</b>	<b>\$73,333</b>	<b>\$105,976</b>	<b>\$66,326</b>
<b>Commercial General Liability</b>	<b>\$14,452</b>	<b>\$34,094</b>	<b>\$7,825</b>
Limit per occurrence (reflects umbrella/excess)	\$11,000,000	\$11,000,000	
Aggregate limit (reflects umbrella/excess)	\$12,000,000	n/a	
Deductible	\$0	\$0	



Upper Gwynedd Township  
Net Cost Comparison Exhibit  
Effective: May 1, 2020

5/7/2020

Coverage	Current Program - Selective, Travelers, Chubb and XL Catlin	Delaware Valley Trusts - Estimated 2020 Annual	Current Program - Selective, Travelers, Chubb and XL Catlin
<b>Sewer Back-Up</b>	<b>Included</b>	<b>Included with General Liability</b>	
Coverage limitations	Limited extension	full exception to Pollution Excl.	
Occurrence limit (reflects umbrella/excess)	\$50,000	\$11,000,000	
Annual aggregate limit (reflects umbrella/excess)	\$500,000	n/a	
Deductible	\$250	n/a	
<b>Abuse or Molestation coverage</b>	<b>n/a</b>	<b>Included with General Liability</b>	<b>not included</b>
Limit per occurrence (reflects umbrella/excess)	Not specified	Included in GL	
Deductible	n/a	n/a	
<b>Law Enforcement Liability</b>	<b>\$20,378</b>	<b>\$29,143</b>	<b>\$20,759</b>
Limit (reflects umbrella/excess)	\$11,000,000	\$11,000,000	
Deductible	\$10,000	\$7,500	
<b>Fiduciary (incl. Employee Benefits) Liability</b>	<b>\$10,050</b>	<b>Included with General Liability</b>	<b>\$5,045</b>
Limits	\$1,000,000	\$11,000,000	
Deductible	\$0	\$2,500	
Retroactive Date:	7/2/1974	None	
<b>Business Auto Liability and Physical Damage</b>	<b>\$53,040</b>	<b>\$48,085</b>	<b>\$45,569</b>
Liability Limit (reflects umbrella/excess)	\$11,000,000	\$11,000,000	
Physical Damage Deductibles	\$250 comprehensive / \$500 collision	\$500 cars + light trucks/ \$1,000 all other	
<b>Public Officials Liability</b>	<b>\$15,987</b>	<b>\$29,118</b>	<b>\$15,420</b>
Limit	\$11,000,000/\$12,000,000	\$11,000,000	
Deductible	\$15,000	\$7,500	
Retroactive Date:	None-Full Prior Acts	None-Full Prior Acts	
<b>Employment Practices Liability</b>	<b>Included in Public Officials Liability</b>	<b>Included in Public Officials Liability</b>	
Limit (reflects umbrella/excess)	incl. in POL above	incl. in POL above	
Deductible	\$10,000	\$7,500	
Retroactive Date:	n/a	None-Full Prior Acts	
<b>Umbrella Excess Liability</b>	<b>\$27,743</b>	<b>Included above</b>	<b>\$24,972</b>
Limits	\$10,000,000 (already reflected above)	\$10,000,000 (already reflected above)	
<b>Pollution</b>	<b>\$16,211</b>	<b>Modified Pollution incl. with General Liability</b>	<b>\$16,211</b>
Limit	\$3,000,000/\$3,000,000	\$11,000,000	
Deductible	\$25,000 SIR	\$0	
Coverage Trigger	Claims Made and Reported	Occurrence	
Retroactive Date:	n/a	n/a	
<b>Heart and Lung Act Liability</b>	<b>\$21,280</b>	<b>\$8,557</b>	<b>\$21,280</b>
Limits	\$50,000 per person	\$100,000 annual aggregate	
<b>Cyber</b>	<b>No Coverage</b>	<b>included above</b>	<b>not included</b>
Privacy and Network Security	n/a	\$5,000,000/\$5,000,000	
Deductible	n/a	\$5,000	
<b>LIABILITY SUBTOTAL</b>	<b>\$179,141</b>	<b>\$148,997</b>	<b>\$157,081</b>
<b>PACKAGE, AUTO AND UMBRELLA SUBTOTAL</b>	<b>\$252,474</b>	<b>\$254,973</b>	<b>\$223,407</b>
<b>New Member Contribution to Trust Surplus</b>	n/a	<b>\$1,000</b>	n/a
<b>Multi-Trust Discount</b> (assumes membership in DVHT, DVPLT and DVWCT)	n/a	<b>(\$12,321)</b>	n/a

Upper Gwynedd Township  
Net Cost Comparison Exhibit  
Effective: May 1, 2020

5/7/2020

Coverage	Current Program - Selective, Travelers, Chubb and XL Catlin	Delaware Valley Trusts - Estimated 2020 Annual Eligible in 2 yrs.	Current Program - Selective, Travelers, Chubb and XL Catlin
Returns via Dividends, Rate Stabilization Funding Safety Grants - \$1,500 annualized for DVPLT Reimbursement for approved safety-related expenditures (e.g. personal protective equipment, worksite safety materials, training programs)	n/a n/a	Eligible in 2 yrs. <b>(\$1,500)</b>	Average \$4,000 annually n/a
<b>PACKAGE, AUTO AND UMBRELLA TOTAL NET COST</b>	<b>\$252,474</b>	<b>\$242,153</b>	<b>\$223,407</b>

<b>WORKERS COMPENSATION AND EMPLOYERS LIABILITY</b>	<b>\$189,456</b>	<b>\$151,398</b>	<b>\$161,048</b>
Workers Compensation	Statutory	Statutory	
Employers Liability Limits	\$500k/\$500k/\$500k	\$1M/\$1M/\$1M	
Total payroll	\$4,913,000	\$5,396,000	\$5,396,000
Experience modification factor	0.784	0.657	0.657
Broker Fee	n/a	n/a	
SWIF Premium (Volunteer Fire Exposure)	separate SWIF policy in place	separate SWIF policy in place	
New Member Contribution to Trust Surplus	n/a	none	
Multi-Trust Discount	n/a	<b>(\$4,542)</b>	n/a
(assumes membership in DVHT, DVPLT and DVWCT)			
Safety Committee Discount (5%)		n/a	yes
Returns via Dividends, Rate Stabilization Funding	n/a	eligible in 3 yrs.	Average \$29,700 annually
Safety Grants - \$1,500 annualized for DVWCT	n/a	<b>(\$1,500)</b>	n/a
Reimbursement for approved safety-related expenditures (e.g. personal protective equipment, worksite safety materials, training programs)			
<b>WORKERS COMPENSATION TOTAL NET COST</b>	<b>\$189,456</b>	<b>\$145,356</b>	<b>\$161,144</b>

<b>Health</b>			
Additional Multi-Trust Discount from Health Trust	n/a	<b>(\$51,097)</b>	<b>(\$51,097)</b>
(assumes membership in DVHT, DVPLT and DVWCT)			Assuming if Selective took over Health similar benefit would be provided

<b>TOTAL NET COST</b>	<b>\$441,930</b>	<b>\$336,412</b>	<b>\$333,454</b>
Amount of Difference	n/a	<b>\$2,958</b>	<b>(\$2,958)</b>
Percent Difference	n/a	<b>0.89%</b>	<b>-0.89%</b>

Active Shooter Coverage	Yes	No
Abuse or Molestation coverage	Yes	No
Cyber	Yes	No
Oversight by TWP Mgr Members		
- other value added benefits including extensive training, legal updates, ...	Yes	No

Public Officials Liability Extended Reporting Period (Tail)		<b>\$31,974</b>	
Additional 5 Year Coverage Recommended			