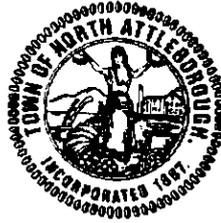


Michael Borg
Town Manager



TOWN OF NORTH ATTLEBOROUGH
43 South Washington Street
North Attleborough MA 02760
508-699-0100

INTEROFFICE MEMORANDUM

DATE: Tuesday, February 04, 2025
TO: Town Clerk Pat McNielly
FROM: Michael Borg *MMB 04 FEB 25*
CC: Linda Catanzariti, Town Accountant
Chris Sweet, Tax Collector & Treasurer
Gail Heidke, Executive Assistant/ Licensing Agent
RE: **Measure 2025-039- Authorization to transfer \$37,042.94 from the Reserve Account to the Insurance Premiums Account to pay the Insurance Premium for the Town's Insurance Policies .**

Town Council Meeting- President Justin Paré
Measure 2025-039- Authorization to transfer \$37,042.94 from the Reserve Account to the Insurance Premiums Account to pay the Insurance Premium for the Town's Insurance Policies.

Purpose and Justification:

The purpose of this Measure is to authorize the transfer of \$37,042.94 from the Town's Reserve Fund Line Item to support increased insurance premiums and enhanced coverage for liability, cybersecurity, and cultural asset protection following a comprehensive review of the Town's policies and deductible structure.

Since April 2024, the Town has been engaged in negotiations with its insurance broker and providers to establish new deductible levels for building and automobile coverage. Historically, the Town carried low deductible levels, which resulted in higher premiums. After evaluation of risk tolerance, supported by a general stabilization reserve of \$8 million, the Town has implemented higher deductibles that achieve cost efficiencies while maintaining appropriate coverage levels.

Additionally, recognizing the growing importance of cybersecurity in municipal operations, the Town has expanded its cybersecurity insurance coverage to provide enhanced protection for its critical operating systems and infrastructure. This increased coverage reflects best practices for safeguarding municipal operations against cyber threats and reinforces the Town's commitment to continuity of services.

A final component of this Measure is funding for the valuation of the Afghan painting, a historical and cultural asset that requires accurate appraisal to ensure appropriate insurance protection.

The breakdown of the additional costs is as follows:

Liability Insurance Policy: \$28,372
Cyber Insurance Policy: \$21,448.44
Afghan Painting Appraisal: \$2,500

The transfer of \$37,042.94 from the Reserve Fund in addition \$15,277.50 from the existing budget fulfills this requirement.

The Town Council met on January 13, 2025, and on behalf of the Town Council, a motion was made by Vice-President Simmons to refer Measure 2025-039- Authorization to transfer \$37,042.94 from the Reserve Account to the Insurance Premiums Account to pay the Insurance Premium for the Town's Insurance Policies to the Finance Sub-Committee for further review and discussion.

The motion was seconded by Councilor Donovan.

Motion carried. 7-0 UNANIMOUS

The Finance Sub-Committee met on January 15, 2025 and on behalf of the Committee, a motion was made by Councilor Donovan to refer Measure 2025-039- Authorization to transfer \$37,042.94 from the Reserve Account to the Insurance Premiums Account to pay the Insurance Premium for the Town's Insurance Policies back to the Full Town Council with a favorable recommendation.

The motion was seconded by Councilor Costello.

Motion carried. 6-0 UNANIMOUS

The Town Council met on January 27, 2025, and on behalf of the Town Council, a motion was made by Vice-President Simmons to approve Measure 2025-039- Authorization to transfer \$37,042.94 from the Reserve Account to the Insurance Premiums Account to pay the Insurance Premium for the Town's Insurance Policies.

The motion was seconded by Councilor Donovan.

Motion carried. 8-0 UNANIMOUS