



# REPORT To Village Board

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**ITEM NAME:** Commercial  
Crime Insurance Policy  
**MEETING DATE:** 06/26/2023  
**PRESENTING COMMITTEE:**  
**COMMITTEE CONTACT:**  
**STAFF CONTACT:** Bobbi Birk-  
LaBarge  
**PREPARED BY:** Bobbi Birk-  
LaBarge

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**ISSUE:** Develop and pass an ordinance to replace the Treasurer's bond and other employee bonding currently paid annually through Liberty Mutual Insurance Company with commercial crime insurance included in the village's current crime policy – Travelers #107014378 effective date of policy 12/15/2022-12/15/2023 for coverage up to \$250,000 per employee incident with a \$1000.00/deductible.

**OBJECTIVES:** To save the village yearly monetary funding by eliminating costly bonds and replacing them with already included commercial crime insurance with our liability carrier – SPECTRUM - for coverage of employee dishonesty.

**ISSUE BACKGROUND/PREVIOUS ACTIONS:** The village has chosen to historically pay bonding fees for employees. These fees have proven to be costly to the village. The State of WI allows for municipalities to use a Commercial Crime policy as a substitute for required bond. We can replace the Treasurer's bond and other required employee bonds with our current carrier – Spectrum. The Village of Kronenwetter will need to pass an ordinance confirming a separate bond is not required for certain positions. VOK does have a commercial crime insurance policy with \$250,000.00 employee dishonesty limit that would suffice as a substrate for the bond through Liberty Mutual Insurance. This is "per loss coverage" limit not "per employee".

**Current Coverage through Liberty Mutual:** The cost in 2022 was \$1605.00

Name	Position	Amount
Lisa Kerstner	Treasurer/Finance Director	\$250,000
Bobbi Birk-LaBarge	Village Clerk	\$25,000
Daniel Cveykus	Municipal Judge	\$55,000
Sarah Kaitlyn Fisher	Acct's Payable Clerk	\$100,000
Dianne Drew	Court Clerk/Police Clerk	\$55,000
Kimberly R. Coyle	Water Utility Clerk	\$250,000

**PROPOSAL:** Pass an ordinance confirming a separate bond is not required for positions having access to money or valued property.

**ADVANTAGES:** Cost savings to VOK of roughly \$1600.00/yearly.

**DISADVANTAGES:** N/A

**ITEMIZE ALL ANTICIPATED COSTS (Direct or Indirect, Start-Up/One-Time, Capital, Ongoing & Annual, Debt Service, etc.) N/A**

**RECOMMENDED ACTION:** Recommend a commercial crime insurance coverage ordinance be drafted and adopted to replace the use of bonding for village employees to comply with the State of Wisconsin guidelines.

**OTHER OPTIONS CONSIDERED:** Continue to use and pay Liberty Mutual for additional insurance already coverage by our current carrier

**TIMING REQUIREMENTS/CONSTRAINTS:** ASAP

**FUNDING SOURCE(s) – Must include Account Number/Description/Budgeted Amt CFY/% Used CFY/\$**

Remaining CFY

Account Number:

Description:

Budgeted Amount:

Spent to Date:

Percentage Used:

Remaining:

**ATTACHMENTS (describe briefly):**