

Town of Windsor

Memorandum

July 8, 2014

TO: The Honorable Mayor and Town Council
FROM: Michael Stallings, Town Manager *MS*
SUBJECT: Insurance

As you are aware, the digital display sign in front of Town Hall was destroyed in a car accident last fall. We submitted the claim to our insurance company and obtained a quote for a replacement sign. This information was submitted to our insurance company. We then received a check for \$25,000, the max payout for property not specifically listed on our policy.

Town Council then directed staff to have a traditional sign installed to replace the one that was destroyed. The cost for this sign was \$2,300.

I received an email from our insurance company asking for a copy of the invoice for the replacement sign. As such, I sent in a copy of the invoice. I have since received notification that the terms of our policy indicate that they will only cover actual costs incurred to replace the sign. According to the policy, the total reimbursement to the Town should have only been \$1,800 (\$2,300 minus the \$500 deductible). They are asking that we reimburse them the remaining \$23,200.

This is for Council's discussion and direction.