

City of Sky Valley

Renewal Effective January 1, 2026



SERVLINE
by HomeServe®



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- Effective January 1, 2026, the ServLine Program will have a rate increase for leak protection. This change follows a detailed review of the program's results.
- Coverage remains the same — only the rate is changing.
- Because of a steady 77% loss ratio, the leak coverage portion of the program will have a rate increase, as shown on the next slides:



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Claims Data



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Annualized Claims Data 01/01/2022-05/01/2025

Leak Data						
Residential - Number of Incidents						
Spend Range	Year 1	Year 2	Year 3	Average Over Time	Total	
\$0 - \$500	5	6	17	9.3	28	
\$500 - \$1,000	4	7	4	5.0	15	
\$1,000 - \$2,500	10	4	6	6.7	20	
Over \$2,500	0	0	0	0.0	0	
Totals	19	17	27	21	63	
Total Claims Spend by Range						
Spend Range	Year 1	Year 2	Year 3	Average Over Time	Total	
\$0 - \$500	\$1,702	\$2,060	\$4,468	\$2,743	\$8,229	
\$500 - \$1,000	\$2,757	\$4,671	\$2,558	\$3,329	\$9,986	
\$1,000 - \$2,500	\$17,936	\$8,186	\$9,256	\$11,793	\$35,378	
Over \$2,500	\$0	\$0	\$0	\$0	\$0	
Totals	\$22,395	\$14,918	\$16,281	\$17,864	\$53,593	
Average Cost Per Range						
Spend Range	Year 1	Year 2	Year 3	Average Over Time		
\$0 - \$500	\$340	\$343	\$263	\$316		
\$500 - \$1,000	\$689	\$667	\$639	\$665		
\$1,000 - \$2,500	\$1,794	\$2,047	\$1,543	\$1,794		
Over \$2,500						
Averages	\$941	\$1,019	\$815	\$925		



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Policy Term Claims Data

05/01/2025-10/30/2025

	EFFECTIVE	EXPIRATION	CLAIMS	PAID	OUTSTANDING	ALAE PAID	ALAE RESERVE	RECOVERIES	INCURRED +ALAE
IHS H133832 03	01/01/2025	01/01/2026	11	\$5,272	\$0	\$0	\$0	\$0	\$5,272
IHS H133832 02	01/01/2024	01/01/2025	25	\$16,702	\$0	\$0	\$0	\$0	\$16,702
IHS H133832 01	01/01/2023	01/01/2024	16	\$11,924	\$0	\$0	\$0	\$0	\$11,924
IHS H133832 00	01/01/2022	01/01/2023	22	\$24,170	\$0	\$0	\$0	\$0	\$24,170
TOTAL			74	\$58,068	\$0	\$0	\$0	\$0	\$58,068
ACCOUNT TOTAL			74	\$58,068	\$0	\$0	\$0	\$0	\$58,068



LEAK PROTECTION PROGRAM

WATER LEAK PROTECTION

Effective Date

- **January 1, 2026**

Opt-out

- Customer has the option to *not* participate.

Leak Adjustments

- Limit **1 leak adjustment** per **12 months**. No deductible.
- Up to **2 consecutive billing cycles**.

Protection Limit

- **\$2,500**
- Your Customer and Utility do not pay anything out of pocket for the high-water bill *overage* caused by a qualifying leak up to **\$2,500**.

Qualifications

- **2x Average Bill**
- Crack or break; proof of repair.
- Qualifications for leak adjustments are in your Leak Protection Policy.



LEAK PROTECTION PROGRAM

WATER LEAK PROTECTION

Current Rates

- **Water Leak Protection**
 - Residential Customers: **\$2.35** + .15 (admin)* = **\$2.50** per month
 - Commercial (single-occupancy): **\$6.50** + .15 (admin)* = **\$6.65** per month
 - Commercial (multiple-occupancy): **\$13.00** + .15 (admin)* = **\$13.15** per month
 - Master-Metered Multi-habitational: **\$2.50** per unit per month

Rates Effective January 1, 2026

- **Water Leak Protection**
 - Residential Customers: **\$3.29** + .15 (admin)* = **\$3.44** per month
 - Commercial (single-occupancy): **\$9.10** + .15 (admin)* = **\$9.25** per month
 - Commercial (multiple-occupancy): **\$18.20** + .15 (admin)* = **\$18.35** per month
 - Master-Metered Multi-habitational: **\$2.50** per unit per month



SERVLINE

Announcement Letter

[Partner Letterhead]

[Partner Contact Info]

December 1, 2025

Dear Customers,

Recently, the underwriter of the Servline Program, Hanover examined the City of Sky Valley's Servline Leak Adjustment Program. Effective January 1, 2026, customers will see a charge increase through the City of Sky Valley's Servline Leak Adjustment Program. If you are currently enrolled in the Servline Leak Program, your billing will be automatically adjusted reflecting the leak adjustment rate revision effective January 1, 2026. Servline leak adjustment rates effective January 1, 2026, are listed below:

- **Water Loss Protection Residential:** Rate Per Customer Per Month:
 - o \$9.25 (single)
 - o \$18.35 (multi)
- **Water Loss Protection Commercial:** Rate Per Customer Per Month:
 - o \$9.25 (single)
 - o \$18.35 (multi)

We hope that you never have a leak, but if you do, the City of Sky Valley's Servline program will continue to provide peace of mind and assistance for all qualifying leak adjustments. If you would like to opt-out of the program, or for more information concerning leak adjustments, please call (706)800-8151. The City of Sky Valley and the staff want to thank you for your continued support in the city's efforts to provide unrivaled service from your water supplier.

Respectfully,

[Partners Name and contact information]



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THANK YOU