IMU BOARD OF TRUSTEES OF THE ELECTRIC, WATER AND COMMUNICATIONS UTILITIES

June 23, 2025
5:30 PM
IMU Boardroom
Agenda

1. **Call to Order**
2. **Roll Call**
3. **Public Comment**
4. **Combined Electric, Water and Communications Action Items**
    A. Resolution Approving Liability, Auto, Property, Workers' Compensation, Cyber, and Machinery and Equipment Replacement Insurance for FY 25/26
5. **Other Business**
6. **Adjourn**

INDIANOLA MUNICIPAL UTILITIES

Electric • Communications • Water

MEMORANDUM

To: IMU Board of Trustees of the Electric, Water and Communications Utilities

From:

Date: June 23, 2025

Subject: Resolution Approving Liability, Auto, Property, Workers' Compensation, Cyber, and Machinery and Equipment Replacement Insurance for FY 25/26

Recommendation:

Attachments:
1. Res 2025_ Risk Benefits for 2025-2026_IMU BOT 6.23.25
2. Risk Renewal Packet FY25-26-IMU Memo

RESOLUTION NO.

RESOLUTION APPROVING LIABILITY, AUTO, PROPERTY, WORKERS' COMPENSATION, CYBER, AND MACHINERY AND EQUIPMENT REPLACEMENT INSURANCE FOR FY 25/26

WHEREAS, the Indianola Municipal Utilities of the City of Indianola, Iowa, annually approves insurance policies for IMU's various liability, worker's compensation, machinery and equipment replacement insurance needs for the ensuing fiscal year; and

WHEREAS, the Indianola Municipal Utilities of the City of Indianola, Iowa, working through its insurance broker, has searched the market and negotiated with current providers, and as a result provides the following recommendations for the Indianola Municipal Utilities insurance policies for July 1, 2025, to June 30, 2026:

- ICAP – Liability, Auto and Property Coverage
    - Total annual cost: $718,000
    - Premium increase from FY24/25 of $15,120
    - This is a shared cost with IMU

- IMWCA – Workers' Compensation
    - Total annual cost: $157,879
    - Premium decrease from FY24/25 of $47,520
    - City and IMU have separate invoices 07/01/2025, shared cost with IMU

- Travelers Cyber Security
    - Total annual cost: $16,940 for current $1,000,000 aggregate limit
    - Total annual cost: $25,175 for increased aggregate limit of $2,000,000
    - Premium increase from FY24/25 of $2,060 for $1,000,000 aggregate limit
    - Premium increase from FY24/25 of $10,295 for $2,000,000 aggregate limit
    - This is a shared cost with IMU

- Cincinnati – Boiler and Machinery Coverage
    - Total annual City cost: $59,636
    - Three-year rate lock 07/01/2023-07/01/2026
    - This is a shared cost with IMU

NOW, THEREFORE, BE IT RESOLVED by the IMU Board of Trustees of the Indianola Municipal Utilities of the City of Indianola, Iowa, that the following insurance proposals are accepted and approved as the policies to cover the Indianola Municipal Utilities liability, property, worker's compensation and machinery and equipment replacement:

- ICAP – Liability, Auto and Property Coverage
    - Total annual cost: $718,000
    - Premium increase from FY24/25 of $15,120
    - This is a shared cost with IMU

- IMWCA – Workers' Compensation
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- Cincinnati – Boiler and Machinery Coverage
    - Total annual City cost: $59,636
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PASSED this 23rd day of June 2025.

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Dom Selgrade, Chairperson

ATTEST:

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Monica Thompson, Board Secretary

MEMORANDUM

To: Chairperson and Board of Trustees

From:

Date: June 23, 2025

Subject: Resolution approving liability, auto, property, workers' compensation, cyber and machinery and equipment replacement insurance for Fiscal Year 26.

Introduction:

Background:

Discussion: The City of Indianola and Indianola Municipal Utilities annually approves insurance policies for various liability, workers' compensation, machinery and equipment replacement, and cyber coverage.

Liability, Auto, and Property Coverage
The Iowa Communities Assurance Pool (ICAP) FY26 renewal came in at $718,000. The ICAP increase was exposure-driven and well below the originally suggested budget placeholders. The line under the property for Agency Commission – Property is due to ICAP decreasing the payable commission on the property coverage from 15% to 11.5%. This represents the 'true up' of the commissions paid by ICAP to Weinman Insurance.

Workers' Compensation Coverage
The Iowa Municipal Workers' Compensation Association (IMWCA) renewal came in at $157,879. The FY26 renewal comes with a decreased experience modification factor from .78 to .73, and increased discounts from 41% to 44%. Our pure premium of $387,311 is discounted down to $157,879. These discounts are a testament to the safety culture the city and IMU foster within the interdepartmental safety committee.

Machinery and Equipment Coverage
The Cincinnati Insurance coverage renewed a three-year rate lock 07/01/2023-07/01/2026 at $59,636. This FY26 renewal will be the third year of the three-year policy.

Cyber Coverage
Staff recommends moving cyber coverage from Cowbell to Travelers for the FY26 renewal. To renew at the current policy aggregate limit of $1,000,000 is $16,940 annually, an increase of $2,060. To renew with an increased aggregate limit of $2,000,000 is $25,175 annually, an increase of $10,295.

Please review the enclosed letter from Weinman/TrueNorth explaining the renewals listed above. Overall, a strong renewal with a net decrease in contributions and premiums.

Budget Impact:

Recommendation: In working with our broker, TrueNorth and Weinman Insurance, staff recommends the City of Indianola and Indianola Municipal Utilities stay with ICAP for its property, casualty, and liability insurance, IMWCA for its workers' compensation coverage, Cincinnati Insurance for its equipment and machinery coverage, and move Cyber Risk Insurance from Cowbell to Travelers with an increased aggregate limit. Roll call is in order.

Attachments:
1. Memo FY25-26 Risk Insurance Renewals
2. Comparable FY25-26 Risk Insurance Renewals
3. Res 2025 Risk Benefits for 2025-2026

WEINMAN *Insurance*℠

TO: City Council – City of Indianola & IMU Board of Trustees

FROM: Weinman Insurance & TrueNorth Companies

CC: Courtney Silliman - Director of Human Resources
Jacob Meshke – City Manager

DATE: 5/26/2025

RE: Property & Casualty Insurance Renewal 2025-2026

Dear Members of the Council and Board of Trustees,

We are pleased to present the attached summary of coverage and premiums for the Property & Casualty insurance program renewing July 1, 2025. This program encompasses Property & Casualty coverage placed with Iowa Communities Insurance Pool (ICAP), Workers' Compensation with Iowa Municipal Workers' Compensation Association (IMWCA), Equipment Breakdown (Cincinnati Insurance) Cyber Liability (Travelers) and Public Officials Fidelity Bond as required by statute (Travelers).

After more than 3 years of substantial cost increases in the insurance marketplace, we are pleased to deliver renewal terms for the City and IMU that result in a net decrease in contributions and premiums. Both ICAP and IMWCA are performing well, and the pools' financial positions are exceptional.

To protect against continued inflationary pressures, ICAP added a 2% increase in valuations for all property of members within the pool. The total insured value of the property owned by the City and IMU increased from $223,396,522,476 to $227,864,452. This includes almost $212 million in building assets and nearly $16 million in business personal property and equipment.

The Workers' Compensation market continues to be soft with another year of average rate decreases across the classification codes used by the City and IMU. The experience modification factor for the City/IMU decreased from .78 to .73 and the discounts awarded for good experience from IMWCA increased from 41% to 44%. This is a testament to the safety culture the city continues to build upon with the help of the interdepartmental safety committee.

The attached premium breakout shows a line-by-line comparison of the renewal term vs. last year's insurance program. At the bottom it will show the overall change in the City's & IMU's total cost of risk (TCOR) The overall decrease in the TCOR for the City and IMU is $13,530. This represents a year-over-year decrease in your insurance costs of 1.37%.

All of us at Weinman Insurance and TrueNorth Companies are pleased to work with the leadership and department heads. Courtney Silliman and Chris Longer continue to provide our team with the necessary information and updates, and they are a pleasure to work with.

It is an honor to be the Property & Casualty Insurance Broker for the City of Indianola and Indianola Municipal Utilities. Our team has the great pleasure of partnering with many metro cities, and we are grateful to have gained the trust of our public entity partners.

Do not hesitate to contact our team if anyone has any questions regarding this document and comparison. We are always happy to be of service.

Thank you for all that you do for the Citizens of Indianola.

Sincerely,

Scott Weinman, Account Manager, Weinman Insurance

scott@weinmaninsurance.com | (515) 961-2576

Brad Bengtson, Risk Management Specialist, TrueNorth Companies

brad.bengtson@truenorthcompanies.com | (515) 962-8073

Denise Anderson, Director of Agency Operations, Weinman Insurance

denise@weinmaninsurance.com | (515) 961-2576

COVERAGES	2024 - 2025 Premium	2025 - 2026 Premium	$ Difference
Property	$ 469,880	$ 480,299	$ 10,419
Total Insured Value	**223,396,522**	**227,864,452**	4,467,930
Building	207,788,434	211,944,203	4,155,769
Personal Property	10,105,337	10,307,444	202,107
Misc Property Scheduled	4,432,994	4,615,070	182,076
Misc Property Unscheduled	978,173	997,736	19,563
Average Rate	0.21	0.21	0
Cyber Deductible Reimbursement	N/A	15,000	-
Wind / Hail Deductible	2%	2%	
Deductible	30,000	30,000	
Agency Commission - Property	$ -	$ 16,810	$ 16,810
General Liability	$ 78,343	$ 78,343	$ -
Each Occurrence	2,000,000	2,000,000	
Medical Expense Limit	10,000	10,000	
General Aggregate	2,000,000	2,000,000	
Deductible	5,000	5,000	
Employee Benefit Liability	1,000,000	1,000,000	
Professional Liability	$ 39,161	$ 41,120	$ 1,959
Public Official Liability Limit	2,000,000	2,000,000	
Deductible	10,000	10,000	
Law Enforcement Liability Limit	2,000,000	2,000,000	
Deductible per claim	3,000	3,000	
Work Comp - City	$ 186,000	$ 140,830	$ (45,170)
Total Payroll - City	7,663,464	8,117,847	454,383
Chapter 411 Medical	3,735,457	2,532,103	(1,203,354)
Work Comp - IMU	$ 19,399	$ 17,049	$ (2,350)
Total Payroll - IMU	3,645,833	3,920,195	274,362
Auto	$ 86,653	$ 87,952	$ 1,299
Liability Limit	2,000,000	2,000,000	
Vehicle Value Limit	10,192,380	10,192,380	-
Excess Liability	$ 28,843	$ 30,286	$ 1,443
Limit	3,000,000	3,000,000	
Equipment Breakdown	$ 59,636	$ 59,636	$ -
Limit	25,000,000	25,000,000	

Prepared by TrueNorth Companies, LC
As of 5/28/2025

COVERAGES	2024 - 2025 Premium	2025 - 2026 Premium	$ Difference
Crime ICAP - Excess	Included	Included	
Employee Theft	10,000	10,000	
Forgery or Alterations	10,000	10,000	
Computer/Funds Transfer	10,000	10,000	
Deductible	N/A	N/A	
Crime & Public Officials Bond	$ 1,525	$ 1,525	$ -
Employee Dishonesty	1,000,000	1,000,000	
Cyber	$ 14,880	$ 16,940	$ 2,060
Aggregate Limit	1,000,000	1,000,000	
ACCOUNT PREMIUM	$ 984,320	$ 970,790	$ (13,530)
Recommend Moving Cyber to Travelers at Renewal			
Cyber 2,000,000 Option	$ 25,175.00		

RESOLUTION NO. 2025-000

RESOLUTION APPROVING LIABILITY, AUTO, PROPERTY, WORKERS' COMPENSATION, CYBER, AND MACHINERY AND EQUIPMENT REPLACEMENT INSURANCE FOR FY 25/26

WHEREAS, the City Indianola, Iowa, annually approves insurance policies for the City's various liability, workers' compensation, cyber, and machinery and equipment replacement insurance needs for the ensuing fiscal year; and

WHEREAS, working through its insurance broker, the City of Indianola, Iowa, has searched the market and negotiated with current providers, and as a result provides the following recommendations for the City of Indianola's insurance policies for July 1, 2025, to June 30, 2026:

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NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Indianola, Iowa, that the following insurance proposals are accepted and approved as the policies to cover the City of Indianola's liability, property, workers' compensation, cyber, and machinery and equipment replacement:

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1. The City Council of the City of Indianola, Iowa approves the risk insurance plans and premiums presented; and

2. The Mayor or City Manager are authorized to execute the necessary documents, as may be required by the insurance companies.

PASSED this 2nd day of June 2025.

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Steve Richardson, Mayor

ATTEST:

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Jackie Raffety, City Clerk