



**IMU Board of Trustees of the
Electric, Water and Communications Utilities
June 28, 2021
City Hall Council Chambers
5:30 p.m.**

Agenda

1. Call to Order
2. Roll Call
3. Public Comments
4. Consent Agenda
 - A. Claims for June 28, 2021.
 - B. June 14, 2021 Minutes.
 - C. Approval of May financial report.
5. Electric Utility Informational Items
6. Water Utility Informational Items
7. Communications Utility Informational Items
8. Combined Electric, Water and Communications Utilities Action Items
 - A. Resolution approving liability, auto, property, worker's compensation and machinery and equipment replacement insurance for Fiscal Year 22.
9. Combined Electric, Water and Communications Utilities Informational Items

A. Discussion and direction regarding a strategic planning session.

10. Other Business

11. Adjourn

IMU Regular Downstairs
Meeting Date: 06/28/2021

4. A.

Information

Subject

Claims for June 28, 2021.

Information

Attachments

Claims

AP Check Preview

Date Range: All Dates

Indianola Municipal Utilities

Friday, June 25, 2021

10:04:56 AM

Vendor	Due Date	Notes	Terms	Bill Total	Discount	Interest	Amount Due	Payment	Invoice Number	Bill Number
Account To Be Paid From 0000-10120-999										
ACCO UNLIMITED CORP. - VEND-2810										
6/8/2021	ACCO liquid chlorinating	Open Terms	1,421.20	0.00	0.00	1,421.20	1,421.20	0213046-IN	BL-5799	
						1,421.20	1,421.20			
AdXcelerant/AdGorilla - VEND-1118										
7/17/2021	Annual technical support 0721 to 0622	Net 30	1,200.00	0.00	15.00	1,200.00	1,200.00	3016	BL-5856	
						1,200.00	1,200.00			
Bear Communications - VEND-1098										
6/29/2021	Service Installs	Net 30	5,669.12	0.00	15.00	5,669.12	5,669.12	20210605	BL-5858	
						5,669.12	5,669.12			
Border States Industries Inc - VEND-1070										
7/15/2021	Crossarms	Net 30	446.66	0.00	15.00	446.66	446.66	922260217	BL-5833	
7/15/2021	Compression Lug	Net 30	87.95	0.00	15.00	87.95	87.95	922260216	BL-5834	
						534.61	534.61			
Cappel's Ace Hardware - VEND-1204										
7/13/2021	Thread rod and fastners	Net 30	6.47	0.00	15.00	6.47	6.47	001160	BL-5810	
						6.47	6.47			
Cedar Falls Utilities - VEND-1045 - BL-5859										
7/5/2021	0521 bandwidth and 5g	Net 30	6,700.00	0.00	15.00	6,700.00	6,700.00	0521 Bandwidth & 5g	BL-5859	
						6,700.00	6,700.00			
Central Iowa Fasteners - VEND-1207										
7/18/2021	Air filter	Net 30	75.00	0.00	15.00	75.00	75.00	2554	BL-5852	
7/11/2021	Papertowels and kleenex	Net 30	82.55	0.00	15.00	82.55	82.55	2499	BL-5809	
						157.55	157.55			
Cintas Corporation - VEND-1007										
7/17/2021	First aid supplies	Net 30	51.58	0.00	15.00	51.58	51.58	5065998072	BL-5860	
						51.58	51.58			
City Of Indianola - VEND-1008 - BL-5869										
7/2/2021	Electric pay App 1 and App 2. Iowa paving prc	Net 30	1,037.55	0.00	15.00	1,037.55	1,037.55	2709	BL-5869	
						1,037.55	1,037.55			

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Consortia Consulting - VEND-1009										
	7/22/2021	Consulting	Net 30	900.00	0.00	15.00	900.00	900.00	22576	BL-5871
							900.00	900.00		
Convergint Technologies LLC - VEND-1082										
	7/16/2021	Work on access control panel	Net 30	279.31	0.00	15.00	279.31	279.31	W1116723	BL-5848
							279.31	279.31		
CORE & MAIN - VEND-102636										
	6/9/2021	6'6" Bury, hyd ext, alpha, gate, anch, Cplg	Open Terms	5,665.00	0.00	0.00	5,665.00	5,665.00	O281044	BL-5849
							5,665.00	5,665.00		
D.A. DAVIDSON & CO. - VEND-100578										
	6/19/2021	ELECTRIC REVENUE ISSUES EMMA FILING	Open Terms	1,000.00	0.00	0.00	1,000.00	1,000.00	21264CDC0MM	BL-5843
							1,000.00	1,000.00		
Des Moines Register Media - VEND-1010										
	7/20/2021	Project share ad	Net 30	150.87	0.00	15.00	150.87	150.87	0003918826	BL-5841
	5/31/2021	Public hearing notice & board of trustee minutes	Net 30	472.56	0.00	15.00	472.56	472.56	0003918318	BL-5825
							623.43	623.43		
DOWNEY TIRE PROS - VEND-11879										
	6/4/2021	4 Tires for 2016 Chevy Silverado	Open Terms	626.29	0.00	0.00	626.29	626.29	62052	BL-5829
							626.29	626.29		
Dust Pros Janitorial - VEND-1011										
	7/15/2021	0621 cleaning - Util Svcs	Net 30	749.00	0.00	15.00	749.00	749.00	2378	BL-5820
	7/15/2021	Cleaning supplies - Util Svcs	Net 30	55.10	0.00	15.00	55.10	55.10	2379	BL-5821
	7/9/2021	0621 Scrub and buff	Net 30	180.00	0.00	15.00	180.00	180.00	2372	BL-5800
	7/10/2021	Cleaning supplies-WA	Net 30	45.25	0.00	15.00	45.25	45.25	2373	BL-5801
	7/15/2021	0621 cleaning - EL	Net 30	984.40	0.00	15.00	984.40	984.40	2376	BL-5837
	7/15/2021	Cleaning supplies, EL	Net 30	172.81	0.00	15.00	172.81	172.81	2377	BL-5838
	7/18/2021	Laundry detergent	Net 30	38.50	0.00	15.00	38.50	38.50	2385	BL-5853
	7/15/2021	0621 Cleaning - Fiber	Net 30	856.00	0.00	15.00	856.00	856.00	2380	BL-5861
	7/15/2021	Cleaning supplies - Fiber	Net 30	51.90	0.00	15.00	51.90	51.90	2381	BL-5862
							3,132.96	3,132.96		
GRAYMONT WESTERN LIME INC - VEND-101387										
	6/18/2021	High calcium quicklime	Open Terms	4,843.66	0.00	0.00	4,843.66	4,843.66	169174	BL-5854

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							4,843.66	4,843.66		
Gregg Young Buick GMC - VEND-1227										
7/9/2021	2021 GMC Sierra	Net 30	20,275.00	0.00	15.00	20,275.00	20,275.00	NU18145	BL-5819	
							20,275.00	20,275.00		
Hy Vee Food Store - VEND-1099										
7/1/2021	2020 Health Screenings-2	Net 30	405.00	0.00	15.00	405.00	405.00	2020 Health Screenings-2	BL-5802	
							405.00	405.00		
ITRON INC. - VEND-25704										
6/12/2021	Meter reading equipment	Open Terms	649.14	0.00	0.00	649.14	649.14	592992	BL-5817	
							649.14	649.14		
JV TRUCKING LLC - VEND-102429										
6/15/2021	3/8 Pea gravel	Open Terms	1,168.24	0.00	0.00	1,168.24	1,168.24	5273	BL-5839	
							1,168.24	1,168.24		
LINDE INC - VEND-6415										
6/18/2021	Carbon dioxide	Open Terms	2,117.08	0.00	0.00	2,117.08	2,117.08	64233853	BL-5845	
							2,117.08	2,117.08		
Mahaska Communications Group - VEND-1017										
7/1/2021	0612 T1 Transport	Net 30	165.00	0.00	15.00	165.00	165.00	0612 T1 Transport	BL-5863	
							165.00	165.00		
McCoy Hardware Inc - VEND-1035										
7/19/2021	Fuse, cement, and pipe	Net 30	28.13	0.00	15.00	28.13	28.13	A499843	BL-5850	
7/17/2021	Muriatic acid and enamel	Net 30	13.03	0.00	15.00	13.03	13.03	A499536	BL-5851	
7/11/2021	Pipe, coupling and bushing	Net 30	100.75	0.00	15.00	100.75	100.75	A498512	BL-5808	
							141.91	141.91		
MELLEN & ASSOCIATES INC - VEND-34176										
6/9/2021	Field service trip for electric start up	Open Terms	1,000.00	0.00	0.00	1,000.00	1,000.00	27055	BL-5803	
							1,000.00	1,000.00		
MUNICIPAL ENERGY AGENCY OF NEBRASKA - VEND-35805										
6/30/2021	Purchased power - May 21	Net 30	718,848.56	0.00	15.00	718,848.56	718,848.56	301981	BL-5804	
							718,848.56	718,848.56		

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MURPHY TOWER SERVICES LLC - VEND-102732										
	6/5/2021	Wesly St boring	Open Terms	1,750.00	0.00	0.00	1,750.00	1,750.00	12150	BL-5864
							1,750.00	1,750.00		
National Cable Television Cooperative, Inc. - VEND-1095										
	6/27/2021	0521 Cable	Net 30	41,030.95	0.00	15.00	41,030.95	41,030.95	21051274	BL-5870
	6/11/2021	FIBER - 12 CT FLT TONE DROP	Net 30	1,191.17	0.00	15.00	1,191.17	1,191.17	SI-07393	BL-5807
							42,222.12	42,222.12		
Nolasoft Development - VEND-1021										
	7/17/2021	Quarterly website hosting - i-m-u.com	Net 30	120.00	0.00	15.00	120.00	120.00	8750	BL-5835
							120.00	120.00		
Norwalk Ready Mix Concrete, Inc. - VEND-1119										
	7/7/2021	S 1st street project, 4000# limestone	Net 30	1,092.50	0.00	15.00	1,092.50	1,092.50	280555	BL-5816
							1,092.50	1,092.50		
Power & Tel - VEND-1037										
	7/4/2021	Fiber drops	Net 30	25,185.97	0.00	15.00	25,185.97	25,185.97	7139649-00	BL-5865
	7/4/2021	Fiber drops	Net 30	1,688.58	0.00	15.00	1,688.58	1,688.58	7080176-03	BL-5866
	7/10/2021	Jumpers	Net 30	126.47	0.00	15.00	126.47	126.47	7233863-01	BL-5867
							27,001.02	27,001.02		
POWER LINE SUPPLY - VEND-103039										
	6/16/2021	Preforms and Insulators	Open Terms	676.39	0.00	0.00	676.39	676.39	56569596	BL-5824
							676.39	676.39		
SPEE-DEE DELIVERY SERVICE INC - VEND-102273										
	6/8/2021	Rubber goods to Skarshaug's	Open Terms	40.73	0.00	0.00	40.73	40.73	4254583	BL-5823
							40.73	40.73		
STERNQUIST CONST. INC. - VEND-50360										
	6/16/2021	For bulk bins - 1.5 crushed concrete	Open Terms	49.69	0.00	0.00	49.69	49.69	959	BL-5840
							49.69	49.69		
U.S. Cellular - VEND-1104										
	7/12/2021	0621 Cel Phone	Net 30	605.51	0.00	15.00	605.51	605.51	445256472	BL-5872
							605.51	605.51		
UPHDM Occupational Medicine - VEND-1101										

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	6/27/2021	Pre employment testing	Net 30	266.00	0.00	15.00	266.00	266.00	75322	BL-5836
							266.00	266.00		
VAN WERT INC - VEND-101069										
	6/9/2021	Neptune 1" Mach Pit Meter	Open Terms	1,575.45	0.00	0.00	1,575.45	1,575.45	228484	BL-5855
							1,575.45	1,575.45		
Vanderpool Plumbing & Heating - VEND-1066										
	7/8/2021	Service call, AC disconnect	Net 30	169.60	0.00	15.00	169.60	169.60	4827	BL-5868
							169.60	169.60		
Vetter Equipment - VEND-1229										
	7/15/2021	Coupling, fitting and hose	Net 30	94.48	0.00	15.00	94.48	94.48	1720139	BL-5847
							94.48	94.48		
WESCO - VEND-60220										
	6/16/2021	Yellow Tape - Stand Offs - LB Elbows	Open Terms	1,517.33	0.00	0.00	1,517.33	1,517.33	759754	BL-5831
	6/12/2021	FR hooded sweatshirt	Open Terms	195.97	0.00	0.00	195.97	195.97	756375	BL-5832
	6/12/2021	Wrench	Open Terms	52.91	0.00	0.00	52.91	52.91	756711	BL-5822
							1,766.21	1,766.21		
WESTRUM LEAK DETECTION - VEND-60304										
	6/11/2021	2021 Leak detection survey	Open Terms	2,850.00	0.00	0.00	2,850.00	2,850.00	3711	BL-5830
							2,850.00	2,850.00		
YMCA Of Greater Des Moines - VEND-1169										
	7/14/2021	0621 Employee Wellness	Net 30	25.00	0.00	15.00	25.00	25.00	CPD012772	BL-5812
							25.00	25.00		
Check Count: 42				Totals:			\$858,923.36	\$858,923.36		

IMU Regular Downstairs
Meeting Date: 06/28/2021

4. B.

Information

Subject

June 14, 2021 Minutes.

Information

Attachments

Minutes

BOARD OF TRUSTEE MINUTES – REGULAR SESSION – JUNE 14, 2021

The Board of Trustees met in regular session at 5:30 p.m. on June 14, 2021, in the City Hall Council Chambers. Chairperson Adam Voigts called the meeting to order and on roll call the following members were present: Lesley Forbush (via Zoom), Deb Richardson, Adam Voigts, and Lori Smith. Absent: Mike Rozga.

The consent agenda consisting of the following was approved on a motion by Smith and seconded by Richardson. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

- Claims list for May 28 and June 14, 2021.
- May 24, 2021 Minutes.

Electric Superintendent Mike Metcalf stated P&E Engineering has proposed to obtain agreements with businesses for the Right-of-Way access and easements in order to continue moving forward on the Downtown Underground Conversion Project. It was moved by Richardson and seconded by Smith to approve Resolution 2021-022 approving the proposal from P&E Engineering for the Right-of-Way services for the Downtown Underground Conversion Project. On roll call, the vote was AYES: Forbush, Richardson, Voigts, and Smith. NAYS: None. Whereupon the Chairperson declared the motion carried unanimously.

Metcalf reported the IMU Electric Department was called to generate electricity due to high temperatures in the region. Staff is working on repairing a meter on one generator and performing locates.

It was moved by Richardson and seconded by Smith to authorize Warren Water to serve an IMU customer at 118th Lane. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

Water Superintendent Lou Elbert reported staff will work on a water main break on South G Street near Highway 92; water main projects on N 8th and downtown are beginning; and Justin Brand is now a Grade 3 Operator.

Communications Superintendent Kurt Ripperger reported staff will perform 80 installations during June and has been working on putting fiber lines in new development areas.

General Manager Chris DesPlanques noted that the proposed resolutions setting salaries reflect a 3% increase and that Justin Brand's salary range should be Range 25-2.

Resolution 2021-023 setting salaries and benefits for appointed officers and non-union employees of the Indianola Municipal Utilities for the period beginning June 20, 2021, was introduced on a motion by Richardson and seconded by Smith. On roll call, the vote was AYES: Forbush, Richardson, Voigts, and Smith. NAYS: None. Whereupon the Chairperson declared the motion carried unanimously.

Richardson introduced Resolution 2021-024 setting salaries for union employees of the Indianola Municipal Utilities for the period beginning June 20, 2021 and moved for its adoption. Smith seconded the motion. On roll call, the vote was AYES: Forbush, Richardson, Voigts, and Smith. NAYS: None. Whereupon the Chairperson declared the motion carried unanimously.

In Combined Informational Items, GM DesPlanques stated staff had attended the Groundbreaking Ceremony for the Downtown Streetscape Project. He also discussed physical and cyber security measures IMU has in place to keep the utilities safe for customers.

In Other Business, Board Member Smith asked for an update from the Utility Billing Supervisor, Elisha Brown. It was reported that staff has seen a large increase in the number of read-overs and some minor customer issues have been resolved quickly.

Meeting adjourned at 6:04 pm on a motion by Smith and seconded by Richardson.

Adam Voigts, Chairperson

ATTEST:

Jackie Raffety, Deputy City Clerk

IMU Regular Downstairs

4. C.

Meeting Date: 06/28/2021

Information

Subject

Approval of May financial report.

Information

Attachments

Financial Summary

Water Utility
Fund Summary
May 31, 2021

	FY2021 Beg Fund Balance	YTD *Revenue	YTD **Expenditures	FY2021 YTD Fund Balance	FY2021 Projected Ending Fund Balance	*Rev Compared to Budget	**Exp Compared to Budget	Notes
						\$ 2,753,000 \$ 958,000	\$ 2,710,642 \$ 1,276,100 90.91%	O&M Budget Revenue & Expenses Capital Budget Revenue & Expenses Percent of Budget Comparison for May
600 Water O&M	\$ 565,237	\$ 2,473,185	\$ 2,431,593	\$ 606,829	\$ 607,595	89.84%	89.71%	
700 Water Capital	\$ 1,699,341	\$ 880,391	\$ 393,858	\$ 2,185,874	\$ 1,382,041	91.90%	30.86%	
780 Water Impr. Reserves	\$ 75,000	\$ -	\$ -	\$ 75,000	\$ 75,000			
Total	\$ 2,339,578	\$ 3,353,576	\$ 2,825,451	\$ 2,867,703	\$ 2,064,636			
Reserve Targets:								
Operational Cash on Hand				91	Days			
Overall (110 or better)				370	Days			

Other Operating Data

	Gallons Pumped		YTY Comparison		Inventory on Hand	
	FY20-21	FY19-20			FY20-21	FY19-20
July	43,766,000	42,736,000	2%		\$ 60,294	\$ 44,000
August	46,527,000	39,702,000	17%		\$ 68,321	\$ 43,577
September	38,938,000	36,527,000	7%		\$ 75,317	\$ 42,978
October	37,065,000	35,474,000	4%		\$ 63,699	\$ 43,234
November	32,846,000	34,219,000	-4%		\$ 63,642	\$ 43,173
December	31,668,000	33,283,000	-5%		\$ 65,648	\$ 42,978
January	32,729,000	34,133,000	-4%		\$ 63,009	\$ 43,246
February	30,974,000	32,861,000	-6%		\$ 55,918	\$ 43,106
March	34,765,000	33,992,000	2%		\$ 87,967	\$ 43,500
April	36,418,000	32,908,000	11%		\$ 89,167	\$ 66,019
May	39,140,000	34,640,000	13%		\$ 84,617	\$ 71,203
June					\$ -	
YTD AVG	404,836,000	390,475,000	4%	YTD AVG	\$ 70,691	\$ 43,918

**Electric Utility
Fund Summary
May 31, 2021**

	FY2021 Beg Fund Balance	YTD *Revenue	YTD **Expenditures	FY2021 YTD Fund Balance	FY2021 Projected Ending Fund Balance	*Rev Compared to Budget	**Exp Compared to Budget	Notes
						\$ 15,911,500 \$ 1,110,800	\$ 15,752,157 \$ 1,498,000 90.91%	O&M Budget Revenue & Expenses Capital Budget Revenue & Expenses Percent of Budget Comparison for May
630 Electric O&M	\$ 5,920,074	\$ 15,361,625	\$ 13,952,423	\$ 7,329,276	\$ 6,079,417	96.54%	88.57%	
730 Electric Capital	\$ 4,800,183	\$ 1,088,419	\$ 939,591	\$ 4,949,011	\$ 4,412,983	97.99%	62.72%	
793 Electric Rev. Bonds	\$ 588,753	\$ 1,039,179	\$ 1,133,517	\$ 494,415	\$ 588,753			
625 Revolving Econ Dev	\$ 114,097	\$ -	\$ -	\$ 114,097	\$ 114,097			
626 USDA RLF	\$ 375,000	\$ -	\$ -	\$ 375,000	\$ 375,000			
Total	\$ 11,798,106	\$ 17,489,224	\$ 16,025,532	\$ 13,261,798	\$ 11,570,250			
Reserve Targets:								
Operational Cash on Hand				192	Days			
Overall (110 or better)				302	Days			

Other Operating Data

Kwh's Sold				Inventory on Hand			
	<u>FY20-21</u>	<u>FY19-20</u>	<u>YTY Comparison</u>		<u>FY20-21</u>	<u>FY19-20</u>	
July	8,914,241	9,907,191	-10%		\$ 994,613	\$ 1,100,586	
August	13,234,240	10,877,367	22%		\$ 988,447	\$ 1,120,462	
September	13,646,968	14,114,059	-3%		\$ 1,011,061	\$ 1,119,722	
October	13,400,541	12,339,511	9%		\$ 1,003,522	\$ 1,092,142	
November	10,297,980	10,526,904	-2%		\$ 1,082,990	\$ 1,064,688	
December	8,891,505	9,620,477	-8%		\$ 1,089,326	\$ 944,327	
January	9,124,796	8,566,540	7%		\$ 1,087,587	\$ 1,071,492	
February	10,298,289	10,418,865	-1%		\$ 1,045,063	\$ 985,984	
March	11,922,604	10,243,438	16%		\$ 1,018,846	\$ 1,026,876	
April	7,757,430	9,029,622	-14%		\$ 976,098	\$ 1,062,436	
May	8,664,133	7,770,003	12%		\$ 1,028,556	\$ 1,041,394	
June					\$ -		
YTD AVG	116,152,727	113,413,977	2%	YTD AVG	\$ 943,842	\$ 1,057,283	

**Fiber Utility
Fund Summary
May 31, 2021**

	FY2021 Beg Fund Balance	YTD *Revenue	YTD **Expenditures	FY2021 YTD Fund Balance	FY2021 Projected Ending Fund Balance	*Rev Compared to Budget	**Exp Compared to Budget	Notes
						\$ 3,665,650 \$ 672,900	\$ 4,297,862 \$ 672,900 90.91%	O&M Budget Revenue & Expenses Capital Budget Revenue & Expenses Percent of Budget Comparison for May
640 Fiber O&M	\$ 706,093	\$ 3,464,393	\$ 3,877,905	\$ 292,581	\$ 73,881	94.51%	90.23%	
740 Fiber Capital	\$ 25,918	\$ 615,977	\$ 677,238	\$ (35,343)	\$ 25,918	91.54%	100.64%	
Total	\$ 732,011	\$ 4,080,369	\$ 4,555,143	\$ 257,238	\$ 99,799			
Reserve Targets:								
Operational Cash on Hand				28	Days			
Overall (110 or better)				21	Days			

Other Operating Data

Subscriptions				Inventory on Hand			
	<u>FY20-21</u>	<u>FY19-20</u>	<u>YTY Comparison</u>		<u>FY20-21</u>	<u>FY19-20</u>	
July	2,402	1,059	127%		\$ 1,041,499	\$ 722,928	
August	2,455	1,249	97%		\$ 1,050,027	\$ 768,470	
September	2,519	1,503	68%		\$ 1,130,772	\$ 799,832	
October	2,594	1,717	51%		\$ 1,145,629	\$ 844,724	
November	2,633	1,882	40%		\$ 1,162,303	\$ 839,583	
December	2,685	1,970	36%		\$ 1,168,993	\$ 854,970	
January	2,722	2,032	34%		\$ 1,184,037	\$ 855,237	
February	2,760	2,087	32%		\$ 1,235,109	\$ 974,670	
March	2,807	2,125	32%		\$ 1,257,544	\$ 978,145	
April	2,853	2,148	33%		\$ 1,300,743	\$ 1,039,196	
May	2,924	2,214	32%		\$ 1,299,534	\$ 1,041,983	
June					\$ -		
YTD AVG	2,669	1,666	60%	YTD AVG	\$ 1,179,654	\$ 809,978	

IMU Admin
Fund Summary
May 31, 2021

620 Utility Services
IMU Admin
Total

FY2021 Beg Fund Balance	YTD *Revenue	YTD **Expenditures	FY2021 YTD Fund Balance	FY2021 Projected Ending Fund Balance	*Rev Compared to Budget	**Exp Compared to Budget	Notes
					\$ 636,000 \$ 485,625	\$ 636,000 \$ 485,625 90.91%	O&M Budget Revenue & Expenses-Utility Services O&M Budget Revenue & Expenses-IMU Admin Percent of Budget Comparison for May
\$ -	\$ 573,140	\$ 561,607	\$ 11,532	\$ -	90.12%	88.30%	
\$ -	\$ 434,940	\$ 477,470	\$ (42,530)	\$ -	89.56%	98.32%	
\$ -	\$ 1,008,079	\$ 1,039,077	\$ (30,998)	\$ (36,707)	159%	163%	

IMU Regular Downstairs

8. A.

Meeting Date: 06/28/2021

Information

Subject

Resolution approving liability, auto, property, worker's compensation and machinery and equipment replacement insurance for Fiscal Year 22.

Information

Roll call is in order.

Attachments

Risk Renewal Memorandum

True North Letter

Resolution Approving Renewal



— Human Resources —

Date: June 15, 2021

To: Mayor and Council & Board of Trustees

From: Courtney Silliman, Human Resources Director

CC: Ryan Waller, City Manager & Chris DesPlanques, General Manager

RE: Risk Insurance Renewal

In working with our broker, TrueNorth and Weinman Insurance, Staff is recommending the City of Indianola and Indianola Municipal Utilities stay with ICAP for its property, casualty and liability insurance, IMWCA for its workers' compensation coverage and Cincinnati Insurance for its boiler and machinery coverage.

Property, Casualty and Liability

Our ICAP renewal came in at \$298,922. ICAP is not offering the voucher program this renewal year.

Workers' Compensation

Our IMWCA renewal came in at \$146,325. Our FY22 renewal comes with a reduced modification factor of .73, from .79, and increased discounts due to great claims experience. Since we received the decreased modification factor and increased discounts our pure premium of \$376,454 is discounted down to \$114,480.

Boiler and Machinery Coverage

Our Cincinnati Insurance coverage is a three-year rate lock 07/01/2020-07/01/2023 at \$57,174.

Please find a letter from TrueNorth, explaining why the City benefits from staying with these carriers.

Weinman Insurance, FMSI, a TrueNorth Company
311 East 2nd Ave
Indianola, IA 50125
515.961.2567

City of Indianola & Indianola Municipal Utilities
110 N 1st Street | 210 West 2nd Ave
Indianola, IA 50125

To: Mayor Pepper & Indianola City Council Members & Board of Trustees
Cc: Ryan Waller, City Manager & Courtney Silliman, Director of Human Resources
From: Weinman Insurance & TrueNorth Companies
Date: 6/15/2021
Re: 2021/2022 Property & Casualty Insurance Renewal

Dear Mayor Pepper and members of the Council and Board of Trustees,

We hope this letter finds all is well for yourselves and the personnel that keep the City of Indianola and Indianola Municipal Utilities running so efficiently.

Our team at Weinman Insurance and TrueNorth Companies is honored to partner with the City and IMU on the Property & Casualty insurance as a Risk Advisor and Insurance Broker. With the insurance package and workers' compensation renewing on July 1st, we wanted to take an opportunity with this letter to advise on the renewal process, discuss the insurance marketplace, and update the council on our ongoing safety committee meetings and initiatives.

Upcoming Insurance Renewal

For the upcoming July 1, 2021 renewal, the following carriers will be covering the City and IMU:

<u>Insurance Carrier</u>	<u>Coverage</u>	<u>Coverage Limit</u>
Iowa Communities	General Liability	\$2,000,000
Assurance Pool (ICAP)	Law Enforcement Liability	\$2,000,000
	Public Officials Liability	\$2,000,000
	Excess Liability	\$3,000,000
	Auto Liability	\$2,000,000

<u>Insurance Carrier</u>	<u>Coverage</u>	<u>Coverage Limit</u>
	Auto Physical Damage	\$7,413,269
	Property	\$144,608,395
Cincinnati Insurance Companies	Machinery and Equipment & Business Income	\$10,000,000 Direct Damage \$100,000 Business Income
Iowa Municipalities Workers' Compensation Association	Workers' Compensation & Employers' Liability	Per Statutory Law, State of Iowa \$1,000,000
	Chapter 411 Medical Only	Per Iowa Code Chapter 411.15

Weinman Insurance, in partnership with TrueNorth has the honor of representing many municipalities, counties, and other governmental sub-divisions as their insurance advisor and brokerage. We have found in the State of Iowa, there are only a few insurance options for our governmental entities due to complexities involved with insuring public exposures. ICAP/IMWCA, Employers Mutual Companies (EMC), Travelers Insurance Companies, & Continental Western Group (CWG). ICAP and IMWCA differ from the others in that they are Risk Sharing Pools, where insured entities are members. The others are admitted insurance companies regulated by the State of Iowa Department of Insurance.

The insurance market is currently experiencing its first actual hardening cycle since 2001. Property, Liability, and Auto coverages are seeing pricing increases due to less capacity and increasing loss experience. On average, the insurance marketplace for large accounts is seeing an increase of 10.9% to 12.9% per the Council for Insurance Agents and Brokers Commercial Property/Casualty Market Report for Q1 2021.

As a risk sharing pool, ICAP and IMWCA are mostly insulated from the overall fluctuations in market pricing due to their concentrated expertise in governmental exposures. This allows their pricing models to be more targeted to the risks they insure rather than the national insurance marketplace. The 2021 renewal cycle for ICAP and its membership is seeing the first base rate increases in property since the pool's inception. This is largely due to the unprecedented storm activity in the state, including the now infamous Derecho of August 10th, 2020.

IMWCA also has an advantage as a risk sharing pool for cities and governmental sub-divisions. With good experience and longevity credits, the City and IMU currently receive discounts of 48% of the pure premium for the Workers' Compensation. The standard insurance market can only discount up to 30% off of pure premium. With the discounts, and exemplary Experience Modification Factor of .73, the City and IMU's Pure Premium of \$376,454 is discounted down to \$114,480.

This stunningly good Workers' Compensation outcome does not happen by accident. The Safety Committee, led by Director of Human Resources Courtney Silliman, and facilitated by TrueNorth Risk Solutions Advisor Dustin Gaskill is proactive in identifying safety issues and putting plans in place to mitigate losses before they happen. Each department has a representative on the committee and all are very active and responsive. Of the many cities our team works with, Indianola and IMU are a leader in how they proactively manage safety for their fellow employees and citizens.

As an independent insurance broker, we are agnostic as to our carriers. All insurance companies we represent are best in class and we do not play favorites with one company over another. Our placement of insurance is based on best pricing and terms, along with claims adjustment and ease of business.

With insurance, there are many terms and acronyms we use without realizing many others may not understand the message we are trying to convey. If the mayor, members of council, or anyone else would like to have follow up conversations, we welcome the opportunity to discuss further. Please do not hesitate to reach out.

Once again, our team appreciates the opportunity to continually earn the trust of the City of Indianola and IMU.

Safe and healthy wishes to all.

Sincerely,

Kim Rasko
Account Manager, Risk Management
515.961.2567
kim@weinmaninsurance.com

Brad Bengtson
Risk Management Specialist
515.962.8073
brad.bengtson@truenorthcompanies.com

Scott Weinman
Claims Specialist
515.961.2567
scott@weinmaninsurance.com

Indianola Municipal Utilities
RESOLUTION NO. 2021-

**RESOLUTION APPROVING LIABILITY, AUTO, PROPERTY, WORKER'S
COMPENSATION AND MACHINERY AND EQUIPMENT REPLACEMENT
INSURANCE FOR FY 21/22**

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, 2021 to June 30, 2022:

- ICAP – Liability, Auto and Property Coverage
 - Total annual cost: \$298,922
 - Premium increase from FY20/21 of \$41,034
 - This is a shared cost with the City
- IMWCA – Worker's Compensation
 - Total annual cost: \$146,325
 - Premium increase from FY20/21 of \$4,675
 - This is a shared cost with the City
- Cincinnati – Boiler and Machinery Coverage
 - Total annual City/IMU cost: \$57,174
 - Three-year rate lock 07/01/2020-07/01/2023

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: \$298,922
 - Premium increase from FY20/21 of \$41,034
 - This is a shared cost with the City
- IMWCA – Worker's Compensation
 - Total annual cost: \$146,325
 - Premium increase from FY20/21 of \$4,675
 - This is a shared cost with the City

- Cincinnati – Boiler and Machinery Coverage
 - Total annual cost: \$57,174
 - Three-year rate lock 07/01/2020-07/01/2023
 - This is a shared cost with the City

PASSED and APPROVED this 28th day of June 2021.

Adam Voigts, Chairman

ATTEST:

Jackie Raffety, Deputy Clerk

IMU Regular Downstairs

9. A.

Meeting Date: 06/28/2021

Information

Subject

Discussion and direction regarding a strategic planning session.

Information

Attachments

No file(s) attached.
