



CITY OF WAUKESHA

Administration

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Committee: Finance	Date: 10/29/2015
Common Council Item Number: ID#15-3677	Date: 11/3/2015
Submitted By: Rich Abbott , Finance Director Keith Yahn, Accountant	City Administrator Approval: Kevin Lahner, City Administrator KML
Finance Department Review: Rich Abbott, Finance Director RA	City Attorney's Office Review: Brian Running, City Attorney BER
Subject: Review and recommend to authorize staff to bind Property, Contents, and Property in the Open; Contractors Equipment; Monies and Securities; Accounts Receivable; and Business Income insurance coverage with Municipal Property Insurance Company (MPIC) effective January 1, 2016.	

Details:
 The City of Waukesha received notice that the current carrier of our "Property" insurance was going to be increasing premiums by approx. 63%. The decision to send out a request for proposal was made and in mid-October proposals were reviewed. Choosing insurance is not always an apples to apples comparison and many factors need to be considered. The main one is of course premiums, but deductibles can play a large role in the total cost. In choosing to go with MPIC, a newly formed consortium, low deductibles were a major driving factor. They were not the lowest premium, but had considerably lower deductibles. When applying past claims trends, it became apparently that MPIC was the appropriate choice.

Options & Alternatives:
 Option 1 – Select MPIC for Property Insurance, et al
 Option 2 – Select a different vendor, but assume additional claims risk



Financial Remarks:

The Funding for this item is spread throughout the City via the Internal Service Fund. 2016 budgets are:

9525.78620	Auto & Fleet Insurance	63,720
5120.55110	Property & Boiler Insurance	8,305
7720.55110	Property & Boiler Insurance	5,135
7730.55110	Property & Boiler Insurance	5,135
7388.55110	Property & Boiler Insurance	56,499
7800.55110	Property & Boiler Insurance	1,578
7380.55120	Auto & Fleet Insurance	3,175
7800.55120	Auto & Fleet Insurance	160
<u>n/a</u>	<u>Transit</u>	<u>2,619</u>
	Total	146,326

Executive Recommendation:

The City Administrator recommends authorizing staff to bind Property, Contents, and Property in the Open; Contractors Equipment; Monies and Securities; Accounts Receivable; and Business Income insurance coverage with Municipal Property Insurance Company (MPIC) effective January 1, 2016.