



MEMORANDUM

Date: June 5, 2025
To: Water Utility Commission
From: Dan Duchniak
Re: 7/1/2025 Business Insurance Renewal

The expiration of our current policy for business insurance is approaching on July 1. The attached spreadsheet summarizes the coverage and premium changes to reflect a total package premium increase of \$10,857; 7.78%. This increase is due to an increase in the value of our fleet and an increase in property values. Coverage for the fiber optic line to Milwaukee was also added in 2025.

Our **Cyber Risk Management** coverage is currently provided by LWMMI. Our recommendation this year is to continue coverage with LWMMI.

Our **Crime** coverage is currently provided by LWMMI. Our recommendation this year is to continue coverage with LWMMI.

Our **Workers Compensation** Experience Rating decreased from 1.02 to .78. This Factor is important because it affects our total premium; the higher the claims, the higher the experience rating, the higher the premium. Workers compensation uses a three-year look back to calculate the rating. We had a higher claim year fall off, which reduced our rating/premiums for 2025.

Our current carrier, Erie Insurance, offers a flat dividend, which is a guaranteed percentage each year decided by Erie's underwriting team. The rate in 2023 was 32%. This year, they have lowered the premium dividend to 30%, which is still a very favorable premium refund. We recommend renewal of our Workers Compensation policy with our current carrier, Erie Insurance.

Recommended Motion: Approve Business Insurance Coverage for the 7/1/25 policy year with LWMMI for Liability, Crime, and Cyber, MPIC for Property and Equipment Breakdown coverage, and Erie for workers compensation at the quoted premiums and coverage limits.

Enc.

Business Insurance Renewal - Policy Year 7/1/2025 - 7/1/2026		
6/19/2025		
	Current	Renewal
	7/1/2024	7/1/2025
Liability Insurance:	LWMMI	LWMMI
Each Occurrence	10,000,000	10,000,000
General Aggregate	Unlimited	Unlimited
Premises medical payments	10,000	10,000
Public Officials Liability	10,000,000	10,000,000
Personal and Adv limit	10,000,000	10,000,000
Damage to premesis rented to us:	250,000	250,000
Claims Made Vs. Occurrence		
Cyber Liability		
Deductible	1,000	1,000
Auto Liability	LWMMI	LWMMI
Each Occurrence	10,000,000	10,000,000
Auto #	23	27
Auto Valuation	1,467,086	1,952,349
Medical Payments	10,000	10,000
Comprehensive Deductible	1,000	1,000
Collision deductible	1,000	1,000
	Replace/ACV	Replace/ACV
Employment Practices Liability	MPIC	MPIC
Each Wrongful Act	10,000,000	10,000,000
Annual Aggregate	none	none
Non monetary defense	50,000/250,000	50,000/250,000
Back Wages	included	included
Prior Acts		
Policy Form	Occurrence	Occurrence
Cyber Liability	LWMMI	LWMMI
*First Party Loss:	each incident	each incident
Business Interruption	1,000,000	1,000,000
Cyber Extortion Loss	250,000	250,000
Data Recovery Costs	1,000,000	1,000,000
Reputation Loss	1,000,000	1,000,000
Liability	each claim	each claim
Data and Network Liability	1,000,000	1,000,000
Regulatory Defense & Costs	1,000,000	1,000,000
Payment Card Liability & Costs	1,000,000	1,000,000
Media Liability	1,000,000	1,000,000
Crime	each loss	each loss
Fraudulent Instruction	250,000	250,000
Funds Transfer Fraud	250,000	250,000
Telephone Fraud	250,000	250,000
Criminal Reward	100,000	100,000
Response Aggregate Limit each incident	1,000,000	1,000,000
Property Insurance:	MPIC	MPIC
Property Valued	102,898,467	105,958,936
Rate per hundred	0.0733	0.0750
Deductible:	5,000	5,000
Auto Physical Damage Value		
Comprehensive/Collision Deductible	1,000	1,000
Equipment Breakdown	MPIC	MPIC
Limits	102,898,467	105,958,936
Rate per hundred	0.0058	0.0060
Deductible:	5,000	5,000
Transformers:		
Contractors Eq/Inland Marine	MPIC	MPIC
Coverage Limit	748,542	715,627
Rate per hundred	0.2089	0.2089
Deductible	2,500	2,500
Fiber Optic		MPIC
Coverage Limit		250,000
Deductible		5,000
Umbrella		
Limit	No separate umbrella needed. \$10,000,000 limit covers GL, Public Officials and auto liability, with no aggregates.	
Aggregate Limit		
Crime Coverage	LWMMI	LWMMI
Employee Theft Per Loss/ded	500,000	500,000
Forgery or Alteration	500,000	500,000
Theft of Money and Securities	500,000	500,000
Inside/Outside	500,000	500,000
Robbery and Safe Burglary	500,000	500,000
Computer Fraud	500,000	500,000
Funds Transfer Fraud	500,000	500,000
Money Orders and Counterfeit Money	500,000	500,000
Faithful Performance of Duties/ded	500,000	500,000
False Pretenses	-	-
Deductible (unless stated/xxxx)	2,500	2,500
Annual Premium:	7/1/2024	7/1/2025
General Liability	19,136	18,925
Prof Police Liab	358	355
Public Officials Liability	15,016	15,025
Auto Liability	5,196	6,166
Auto Physical Damage	10,754	15,208
Cyber	5,719	6,496
LWMMI SubTotal	56,179	62,175
Property	75,423	79,435
Contractors Eq/Inland Marine	1,564	1,495
Specific Limit Coverage		
Equipment Breakdown	5,939	6,404
Fiber Optic		453
MPIC SubTotal	82,926	87,787
Crime Coverage	500	500
PREMIUM GRAND TOTAL	139,605	150,462
Premium change	-	10,857
		7.78%
LWMMI Dividend Received 2025	\$2,006.00	