

NOTICE OF MEETING
Des Moines Metropolitan Wastewater Reclamation
Authority Insurance Subcommittee

Friday, June 11, 2021
10:00 AM

MEETING LOCATION:
ADMINISTRATION BUILDING
WASTEWATER RECLAMATION FACILITY
3000 VANDALIA ROAD
DES MOINES, IOWA

Iowa Code Section 21.4 requires that each Des Moines Metropolitan Wastewater Reclamation Authority Insurance Subcommittee meeting shall be held at a place reasonably accessible to the public and at a time reasonably convenient to the public, unless for good cause such a place or time is impossible or impracticable. Given Section Sixty Seven of the Governor's May 27, 2021 Proclamation suspending the regulatory provisions of Iowa Code §§ 21.8, 26.12, and 414.12, or any other statute imposing a requirement to hold a public meeting or hearing, the Des Moines Metropolitan Wastewater Reclamation Authority Insurance Subcommittee has determined that a meeting at a physical place is impossible or impracticable and all meetings for the time being will be conducted electronically with the public allowed to attend per the instructions on this agenda. Meeting minutes will continue to be provided per the WRA's normal course of business. The Des Moines Metropolitan Wastewater Reclamation Authority Insurance Subcommittee will be participating via the information provided below:

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The public can participate by using the information below
REMOTE PARTICIPATION INFORMATION

Please click this URL to join
<https://dmmwra.webex.com/dmmwra/j.php?MTID=m88924f996097711c5a915fc6ccf33ce7>
Meeting Number: 1773 71 6109

or

Dial: +1 (855) 749-4750
Meeting Number: 1773 71 6109

Agenda

- ITEM 1: Arthur J. Gallagher & Co (AJG) Presentation – Discussion and Recommendation**
- Discussion of coverage updates and changes from last year
 - Comparison of costs
 - Budget for FY 2022 WRA Insurance Plan & Cost History
 - FY 2022 WRA Insurance Plan

ITEM 2: Worker's Compensation – Information/Discussion & Potential Recommendation

- Review of Worker's Compensation Payments, Supplemental Reserve and Claims
- Discussion

ITEM 3: Other Business



***DES MOINES METROPOLITAN
WASTEWATER RECLAMATION AUTHORITY***
CITY OF DES MOINES, OPERATING CONTRACTOR

Date: June 11, 2021
To: WRA Insurance Subcommittee
From: Scott Hutchens, WRA Director
Subject: Information on WRA Renewal of Insurance

Arthur J. Gallagher (AJG) will be presenting information for the next fiscal year insurance renewal at the meeting. A brief comparison spreadsheet showing the WRA continuing in the Iowa Communities Assurance Pool (ICAP) for property coverage is shown in the sheet. There are some options and open items to discuss for the casualty package. AJG will be reviewing the insurance renewal information as done in the past at the upcoming meeting.

The City of Des Moines will continue with the Cyber policy which the WRA participates in. WRA also shares with the Operating Contractor coverage of employees under a crime policy and workers' compensation excess policy.

The Operating Contractor will be looking for a recommendation from the subcommittee to present the Insurance Coverages to the WRA Board at its June 2021 meeting for approval. More information will be added to this packet as it comes available.

**DES MOINES METRO WASTEWATER RECLAMATION
2021 RENEWAL COMPARISON**



Insurance | Risk Management | Consulting

	<u>2020/2021</u>	<u>2021/2022</u>	<u>2021/2022</u>
PROPERTY - ICAP	300,644	361,167	353,597
Loss Limit	150,000,000	150,000,000	150,000,000
Blanket Building and Personal Property	313,874,082	336,368,092	338,889,522
Deductible	100,000	100,000	100,000
ICAP Premium Credit	-	-	-
Total	300,644	361,167	353,597
CASUALTY PACKAGE POLICY	Travelers	National Fire	ICAP
General Liability	13,375	21,781	55,902
Limit - Each Occurrence	1,000,000	1,000,000	2,000,000
Limit - Aggregate	3,000,000	3,000,000	
Deductible	25,000	25,000	25,000
Exposure Basis: Budget	25,036,000	26,161,837	26,161,837
Business Auto	27,544	49,404	76,153
Liability Limit	1,000,000	1,000,000	2,000,000
Vehicle Count	101	99	99
Public Officials and Management Liability	9,593	5,586	5,730
Limit - Each Occurrence	1,000,000	1,000,000	2,000,000
Limit - Aggregate	3,000,000	3,000,000	-
Exposure Basis: Payroll	6,100,525	6,100,525	6,100,525
Excess Liability	8,710	32,374	24,223
Limit - Each Occurrence	10,000,000	10,000,000	9,000,000
Limit - Aggregate	10,000,000	10,000,000	9,000,000
Total	59,222	109,145	162,008

NATURAL GAS OPERATIONS	Travelers	Scottsdale	Scottsdale
General Liability	-	19,695	19,695
Limit - Each Occurrence	included in above	1,000,000	1,000,000
Limit - Aggregate	included in above	2,000,000	2,000,000
Deductible	see above	10,000	10,000
Exposure Basis: Sales (auditable)	-	3,000,000	3,000,000
Excess Liability	-	13,130	13,130
Limit - Each Occurrence	included in above	5,000,000	5,000,000
Limit - Aggregate	included in above	5,000,000	5,000,000
Total	-	32,825	32,825
EQUIPMENT BREAKDOWN POLICY	20,000	20,000	20,000
Insurance Carrier	Cincinnati	Cincinnati	Cincinnati
Limit	150,000,000	150,000,000	150,000,000
POLLUTION LIABILITY POLICY		26,683	26,683
Insurance Carrier		Ironshore	Ironshore
Limit		2,000,000	2,000,000
TOTAL PREMIUMS	359,866	549,820	595,113

Options:

*Property premium includes \$22,267 for Builders Risk coverage on Flood Improvement Project

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*Auto Premium includes Physical Damage on vehicles

*3 year Pollution Premium - Prepaid. Expiring premium is \$26,069.11

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Option to exclude EPLI from Package policy: savings of \$7,626

Option to include Terrorism coverage under Scottsdale GL & Umbrella: \$1,590.75

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WRA Insurance Subcommittee Information

Item 1

Review of Insurance Payment History:

BUDGET

	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
ICAP annual contribution	279,238.0	283,821.0	279,968.0	279,967.6	280,099.0	300,644.0	300,000.0
ICAP credit		(8,514.0)	(16,012.0)	(10,700.1)	(13,824.7)	-	-
Boiler Policy (three year policy)	25,717.0	25,802.0	21,368.0	20,000.0	20,000.0	20,000.0	20,000.0
Pollution Policy (every third year)	25,143.0	-	-	26,069.1	-	-	9,000.0
Casualty Package:							61,000.0
General Liability	15,904.0	19,214.0	13,206.0	8,061.0	13,193.0	13,375.0	
Special Excess	16,708.0	13,600.0	13,260.0	15,800.0	8,228.0	8,710.0	
Business Auto	28,055.0	29,771.0	29,401.0	25,988.0	24,393.0	27,544.0	
Public Official & Mgmt Liab.	<u>3,177.0</u>	<u>3,820.0</u>	<u>3,468.0</u>	<u>4,692.0</u>	<u>9,410.0</u>	<u>9,593.0</u>	
Subtotal WRA (AJG)	393,942.0	367,514.0	344,659.0	369,877.5	341,498.3	379,866.0	390,000.0
Allocation from CDM:							
Crime	2,578.0	3,077.0	2,910.7	2,967.9	2,076.3	1,601.1	2,000.0
Cyber	-	-	-	4,084.5	4,084.5	4,363.9	4,000.0
Work Comp Excess	<u>52,967.0</u>	<u>52,248.0</u>	<u>52,400.6</u>	<u>46,652.0</u>	<u>49,185.5</u>	<u>50,555.0</u>	<u>54,000.0</u>
Total payments per Fiscal Year	449,487.0	422,839.0	399,970.3	423,581.9	396,844.6	436,386.0	450,000.0



**DES MOINES METROPOLITAN
WASTEWATER RECLAMATION AUTHORITY**

CITY OF DES MOINES, OPERATING CONTRACTOR

Date: June 11, 2021
 To: WRA Insurance Subcommittee
 From: Scott Hutchens, WRA Director
 Subject: Information on Workers' Compensation Expense at WRF

A review of Workers' Compensation expenditures is presented annually to the Insurance Subcommittee. Included in this year's packet is the final spending amount for FY2020 and preliminary spending to date for FY2021. In the past, WRA expenditures exceeded the budget because payments trail the year of injury, meaning spending in FY2015 to FY2017 includes payments for FY2013 injuries and spending in FY2019 includes payments for FY2016.

The chart below has been updated to include ten years of history:

Fiscal Year	Budget	Spending *	Difference	Difference to Reserve
2009-2010	145,000	131,478	13,522	0
2010-2011	145,000	6,870	138,130	0
2011-2012	145,557	111,339	34,218	0
2012-2013	145,500	24,844	120,656	138,130
2013-2014	148,000	296,240	-148,240	34,218
2014-2015	150,000	382,585	-232,585	120,656
2015-2016	150,000	179,279	-29,279	-148,240
2016-2017	160,000	453,716	-293,716	0
2017-2018	175,000	341,018	-166,018	0
2018-2019	235,000	378,667	-143,667	0
2019-2020	255,000	211,970	43,029	0
2020-2021	325,000	76,484	partial year	0
2021-2022	325,000		future year	43,029

The supplemental reserve was established prior to 2/1/2012 with the first budget allocation in FY2013. The balance increased in FY2014 and FY2015, then decreased in FY2016. The balance in FY2017 was \$144,764 with no changes until recently. The balance will be \$187,793 in FY2022.

*Spending totals approximately \$2.5 million over eleven years. Payments are made to EMC by the Operating Contractor. A recent summary from EMC Risk Services (EMC) titled "Injury Analysis Dashboard" is included in the packet for discussion.

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As of May 31, 2021, the injury cost reported by EMC is \$3,403,169.29. Included in this amount is a reserve of \$933,133 (these numbers are found on the top line of the attachment following).

The reserve amount includes \$5,000 for the current year and an estimate for the remaining injury costs of past employees. This estimate includes seven claims with reserves with one claim from 2016 with a reserve near \$800,000. There may be other claims that legal advises staff about annually that are not included in the EMC reserves.

EMC provides several charts and analysis by different criteria. At the bottom right, a bar chart shows recent costs by injury year (calendar) and the number of injuries per year. Note that 2020 and 2021 are low. Additional safety training has been a priority and the injury numbers are down. The chart bottom center shows no lost time injuries in 2020 and 2021.

EMC Risk Services, LLC Injury Analysis Dashboard

Department	WR
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Total Reserve	\$ 933,133.00
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Injury Cost (Paid)	\$ 2,470,036.29
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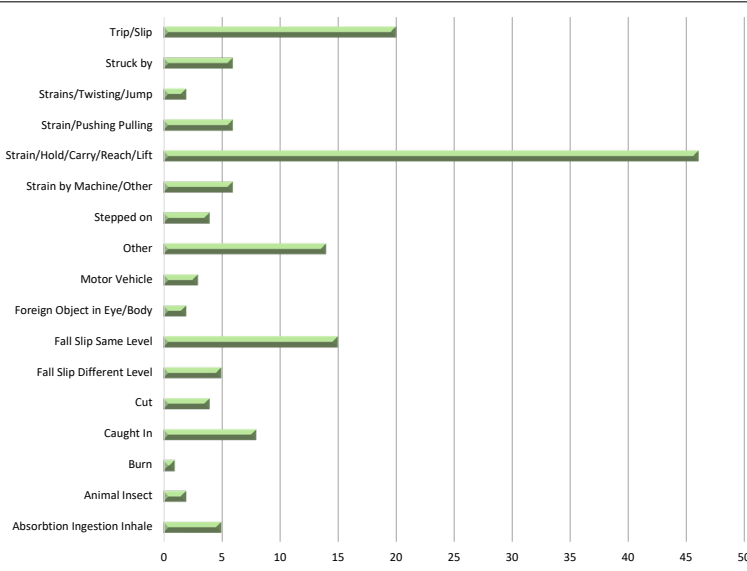
Injury Cost (Incurred)	\$ 3,403,169.29
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Loss Date Range:	Jan 2008 to May 2021
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Total Number of Injuries/Claims	151
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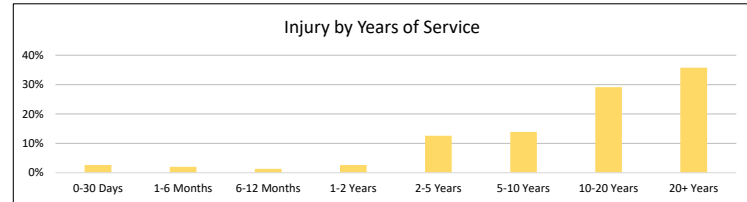
Injury Type	No.	%
Absorption Ingestion Inhale	5	3%
Animal Insect	2	1%
Burn	1	1%
Caught In	8	5%
Cut	4	3%
Fall Slip Different Level	5	3%
Fall Slip Same Level	15	10%
Foreign Object in Eye/Body	2	1%
Motor Vehicle	3	2%
Other	14	9%
Stepped on	4	3%
Strain by Machine/Other	6	4%
Strain/Hold/Carry/Reach/Lift	46	31%
Strain/Pushing Pulling	6	4%
Strains/Twisting/Jump	2	1%
Struck by	6	4%
Trip/Slip	20	13%
Total	149	100%

Body Part	No.	%
Abdomen/Groin	1	1%
Artificial Appliance	0	0%
Back/Spinal	0	0%
Chest	1	1%
Elbow	6	4%
Eye(s)	2	1%
Finger/Toe(s)	9	6%
Foot/Ankle	19	13%
Head Skull Bone	0	0%
Head-Soft Tissue/Ear	7	5%
Heart	0	0%
Hip/Pelvis	1	1%
Internal Organs	3	2%
Knee	12	8%
Lower Arm	1	1%
Lower Back	20	13%
Lower Leg	0	0%
Mouth	0	0%
Multiple Body Parts	25	17%
Multiple Lower Extremities	1	1%
Multiple Trunk	0	0%
Multiple Upper Extremitates	4	3%
Neck Disc	1	1%
Neck-Soft Tissue	0	0%
No Physical Injury	5	3%
Nose	0	0%
Shoulders	14	9%
Thumb	1	1%
Upper Arm	0	0%
Upper Back	1	1%
Upper Leg/Buttocks	2	1%
Wrist/Hands	15	10%
Total	151	100%

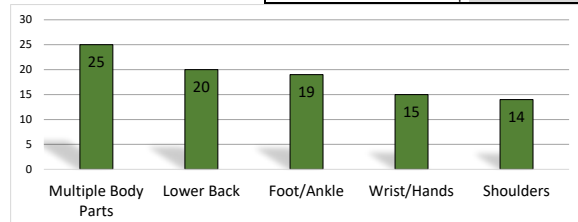


Yrs of Service	No.	%
0-30 Days	4	3%
1-6 Months	3	2%
6-12 Months	2	1%
1-2 Years	4	3%
2-5 Years	19	13%
5-10 Years	21	14%
10-20 Years	44	29%
20+ Years	54	36%
Total	151	100%

Lost Time Injuries	No.	Cost (Incurred)
Occurrences	43	\$ 3,319,732.61
Total	43	\$ 3,319,732.61



Year	Cost (Incurred)	LT Injury	Injury
2016	\$ 1,304,036.16	4	13
2017	\$ 210,859.04	5	11
2018	\$ 237,214.96	3	16
2019	\$ 61,799.69	2	13
2020	\$ 2,980.81		10
2021	\$ 6,466.88		2
2022			
2023			
2024			
Total	\$ 1,823,357.54	14	65



Injury Month	No.	%
January	12	8%
February	12	8%
March	14	9%
April	13	9%
May	18	12%
June	12	8%
July	11	7%
August	9	6%
September	10	7%
October	13	9%
November	7	5%
December	20	13%
Total	151	100%

Day of Week	No.	%
Monday	20	13%
Tuesday	25	17%
Wednesday	31	21%
Thursday	34	23%
Friday	35	23%
Saturday	2	1%
Sunday	4	3%
Total	151	100%

Month	Cost (Incurred)	%
January	\$ 221,593.32	7%
February	\$ 64,213.77	2%
March	\$ 48,532.14	1%
April	\$ 76,014.93	2%
May	\$ 492,780.98	14%
June	\$ 1,383,415.26	41%
July	\$ 74,605.76	2%
August	\$ 23,749.21	1%
September	\$ 40,193.03	1%
October	\$ 151,220.78	4%
November	\$ 308,621.55	9%
December	\$ 518,228.56	15%
Total	\$ 3,403,169.29	100%

