REPORT TO VILLAGE BOARD

ITEM NAME:	Renewal of Municipal Property Insurance (MPIC) for 2026
MEETING DATE:	September 22, 2025
PRESENTING COMMITTEE:	
COMMITTEE CONTACT:	President David Baker
STAFF CONTACT:	Jennifer Poyer
PREPARED BY:	Jennifer Poyer, John Jacobs

ISSUE: Renewal of the policy quotes for property insurance from Municipal Property Insurance Company (MPIC)

OBJECTIVES: Provide the Village of Kronenwetter with affordable and reliable property insurance.

ISSUE BACKGROUND/PREVIOUS ACTIONS:
The Village has approximately $22,380,097 of insurable property. Our current policy from MPIC expires on October 1, 2025.
Of note, the new water treatment plant valued at $2,465,271 is now part of the property insurance coverage. The actual property insurance Rate Per $100 of Value remains relatively flat at $.0873 per $100 of insured value compared to expiring of $.0868 per $100 of insured value.

PER JOHN JACOBS:
The total new 10/1/2025 property valuation went up by $2,525,487 (increase of 11.3%). Of that increase, $2,465,271 is from the new water treatment plant, which means that the remaining $60,216 valuation increase is from all other Village property (then only a 0.27% increase). This looks very reasonable.

The total premium increase for "Buildings, Personal Property & Property in the Open" is increasing by $2,304 ($21,743 renewal vs. $19,439 present premium). The majority of this increase is for the new water treatment plant = $2,465,271 x .0873 / 100 = $2,152. The $2,152 amount will be charged directly to the Water Utility Fund. While the remaining premium $152 ($2,304 - $2,152) for all other property in this category.

The total premium is increasing by $2,665 (10.2% increase) from the prior year. While the new water treatment plant insurance is increasing by $2,152, this means that the remaining insurance is increasing by only $513 "Village-wide" (excluding the new water treatment plant). This quotation looks again very reasonable to me, and we will incorporate the new insurance premiums into our budget calculations.

The Administrative Policy Committee (APC) approved a motion to send this item to the Village Board for approval.

PROPOSAL:
ADVANTAGES:
DISADVANTAGES:
ITEMIZE ALL ANTICIPATED COSTS (Direct or Indirect, Start-Up/One-Time, Capital, Ongoing & Annual, Debt Service, etc.)
RECOMMENDED ACTION: Motion by APC to forward to Village Board for approval. Motion for approval of the renewal of the Villages Property Insurance for 2026 at a yearly rate of **$28,746** with a $1,000.00 deductible

OTHER OPTIONS CONSIDERED:
TIMING REQUIREMENTS/CONSTRAINTS:
FUNDING SOURCE(s) – Must include Account Number/Description/Budgeted Amt CFY/% Used CFY/$
Remaining CFY
Account Number:
Description:
Budgeted Amount:
Spent to Date:
Percentage Used:
Remaining:

ATTACHMENTS (describe briefly): MPIC Quote, Renewal Premium Summary with John Jacobs' marks