



Milwaukee County

Risk Management

Property & Casualty Insurance

2016 Renewals



Renewal for 2016

- Appointment of Single Risk Management Advisor and Insurance Broker
 - Aon Risk Services Central, July 2015 (via RFP award)
- Consolidation of County and Transit Programs
 - Greater coordination and control of risk management, loss control and insurance premium costs
 - Property and fleet coverage combined going forward
- Improvement of Coverage Terms
 - Deductible and limit structure changes
 - Coverage form improvements
- Reduction in County's Overall Total Cost of Risk





Renewal Results

- Improved Coverage
 - Lower deductibles
 - Property; \$500K vs. \$1ML
 - Fine Arts; \$0 vs. various starting
 - Enhanced fine arts coverage
 - Increased limits
 - MCTS Crime
 - Fine Arts
 - Boiler and Machinery
- New Coverage
 - MCTS Excess liability
 - MCTS Fleet
- Premium Reduction:
 - Compared to 2015 program: \$147,331
 - Projected savings from renewed as expiring: approx. \$400,000





Public Entity Liability

PEL Renewal Recommendation:

- Wisconsin County Mutual (B++ Good financial rating)
 - \$10 million limit, no aggregate
 - \$1,000,000 each occurrence deductible, \$3,000,000 aggregate deductible
 - Includes claims administration costs from first dollar
 - \$717,950 premium – unchanged from 2015
- 19 year relationship, ownership, TPA and loss control services included, settlement authority consideration
- Alternate quote: Argonaut Insurance Co.
 - \$500,540 premium – excludes TPA, loss control, ownership input





Airport & Aviation Liability

Aviation Recommendation:

- AIG (AM Best Rating A XV)
 - Replacing ACE/Lloyd's layered program
- \$500 million limit each occurrence and aggregate
- \$50,000 deductible
- \$120,643 premium

\$63,120 premium savings compared to 2015





Fiduciary Liability / Crime

Fiduciary Liability (Milwaukee County Pension Fund) Recommendation:

- ALG primary insurer and Chubb and Axis excess insurers (incumbent markets)
- \$30 million limit total each occurrence and aggregate
- \$150,000 deductible
- \$237,700 premium

\$106,000 premium savings compared to 2015

Crime Recommendation:

- Great American, incumbent carrier
- \$10,000,000 coverage limits / \$100,000 deductible
- \$35,937 premium- unchanged from 2015





Fine Arts

Fine Arts Recommendation:

- 3 Competitive insurers and quotes received; AXA, Ironshore and Travelers
- AXA Insurance Company (AM Best Rating A VI)
- \$150 million limit for Scheduled Locations
- Scheduled Locations: Any location owned, operated, or occupied by Milwaukee County
- Deductibles; \$0
- \$77,750 premium - 5% No Claims Bonus

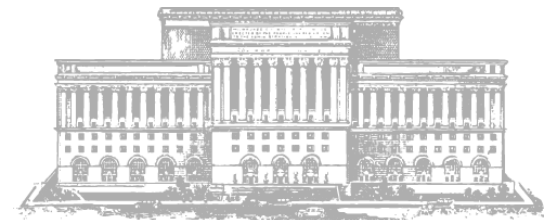




Property / Energy Systems

Property Recommendation:

- Travelers (A++ Superior financial rating)
 - Over 50 insurers approached by Aon
- \$1,688,138 Premium (vs. LGPIF \$1,872,556)
- \$500,000,000 Limit each occurrence
 - \$100,000,000 Boiler & Machinery Limit – Liberty Mutual
 - Open Lot coverage (garaged vehicles)
 - Course of Construction coverage - \$10,000,000 any one site + \$500,000 temporary storage/transit
 - **\$184,418 premium savings compared to LGPIF renewal**
- \$500,000 deductible buildings and contents (vs. \$1,000,000 LGPIF)
- LGPIF has negative surplus, unfavorable audit by LAB, unable to pay claims, uncertain future, higher premium and deductible, estimated two thirds of members withdrawing by end of 2015





Renewals

2016 total program cost: \$2,878,118

Renewals for 2017:

- Continue to explore markets
 - Workers' Compensation
 - Environmental
 - Professional Liability

