

**SEMINOLE COUNTY GOVERNMENT
AGENDA MEMORANDUM**

SUBJECT: Self-Insurance Program Renewal

DEPARTMENT: Administrative Services **DIVISION:** Risk Management

AUTHORIZED BY: Jamie Croteau **CONTACT:** Linda Eiland **EXT.** 5950

Agenda Date <u>09/13/05</u> Regular <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Work Session <input type="checkbox"/> Briefing <input type="checkbox"/>
Public Hearing – 1:30 <input type="checkbox"/> Public Hearing – 7:00 <input type="checkbox"/>

MOTION/RECOMMENDATION:

Authorization to renew the County's Workers' Compensation, Property and Liability insurance effective 10/01/05, and authorization for Chairman to execute agreements.

BACKGROUND:

The County's Self-insurance program includes excess coverage for Workers' Compensation, Property and Liability. Renewal of these coverages is required October 1st of each year. The county's broker, Arthur J. Gallagher & Company, competitively markets the Workers' Compensation, Property & Liability excess coverages each year on behalf of the County.

Arthur J. Gallagher & Company has presented renewal of the County's Workers' Compensation, Property and Liability insurance at an estimated annual cost of \$2,609,307. This represents an overall 4.7% increase over FY 04/05.

Attachment A provides a summary of each line of coverage and the County's self-insured retentions (SIR's) limits effective 10/01/05. Attachment B provides a summary of renewal premiums for FY 05/06 as compared to FY 04/05 for the County's Property, Liability and Workers' Compensation coverages.

Staff is recommending renewal through Arthur J. Gallagher & Company for an estimated cost of \$2,609,307.

Reviewed by: Co Atty: _____ DFS: _____ Other: _____ DCM: _____ CM: _____
File No. <u>RASR01</u>

SEMINOLE COUNTY BOARD OF COUNTY COMMISSIONERS
 PROTECTED SELF-INSURANCE PROGRAM
 PROPOSED PROGRAM
 2005-2006

<p><u>PROPERTY</u> <i>Landmark American</i> \$100,000,000 XS \$10,000,000</p>	<p><i>Axis Surplus Ins. Co.</i> \$9,000,000 XS \$1,000,000</p>	<p><i>Princeton E & S</i> \$800,000 XS SIR</p>	<p><u>SIR</u> 200,000</p>	<p><u>GENERAL LIABILITY, AUTO LIABILITY & PUBLIC OFFICIALS' LIABILITY</u> <i>Princeton E & S</i> \$4,000,000 XS \$1,000,000</p>	<p><i>Princeton E & S</i> \$900,000 XS SIR</p>	<p>Separate Limits apply to the different lines of liability</p>	<p><u>SIR</u> 100,000</p>	<p><u>WORK COMP</u> <i>Safety National</i> Statutory Limits XS \$400,000 Annual Agg. Ded: \$250,000</p>	<p><i>Princeton E & S</i> \$200,000 XS SIR</p>	<p><i>Princeton E & S</i> \$225,000 XS SIR</p>	<p><u>SIR</u> 200,000</p>	<p><u>CRIME</u> <i>Princeton E & S</i> \$225,000 XS SIR</p>	<p><u>LOSS FUND</u> \$2,830,000 Minimum</p>	<p>Aggregate Excess Applies when Loss Fund is Exhausted \$1,000,000</p>	<p>Minimum</p>
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**SEMINOLE COUNTY BOCC
PROGRAM COST SUMMARY
2005/2006**

<u>Lines of Coverage</u>	04-05 Premium	05 - 06 Premiums
Public Entity Package Policy	1,266,670	1,338,298
Package Terrorism	25,497	68,500
Excess Property \$9 Mil XS \$1 Mil	330,057	341,228
Excess Property \$100 Mil XS \$10 Mil	144,589	150,000
Excess Property Terrorism \$9M XS \$1 Mil	21,704	22,524
Excess Property Terrorism \$100 Mil XS \$10 Mil	7,230	6,000
Excess Work Comp	513,215	468,916
Boiler & Machinery	22,837	20,533
Excess Liability \$4 Mil XS \$1 Mil	158,333	164,666
Excess Liability Terrorism	3,958	4,018
E-Com (including Terrorism)	12,706	10,910
TOTAL	2,506,796	\$2,595,593
FPLIPA - Tank Liability	7,603	7,984***
Flood Policies	5,457	5,730***

ATTACHMENT B

Overall Percentage Premium INCREASE Excluding Flood & Tank Liability		4.7%
Loss Fund	2,705,000	2,830,000
Loss Fund Percentage Increase		4.6%

*** FPLIPA Tank Liability policy does not renew until December and the Flood policies do not renew until November and, thus, we have estimated the renewal on each at a 5% increase over last year.

Please note this is simply a release of premiums and Loss Fund provided by carriers based on the exposures presented to carriers that was provided by the County. It does NOT contemplate any terms and conditions of the policy. Some terms & conditions still need to be negotiated and could have impact on premium(s) (i.e. appropriate sub-limits for property coverage). We do not anticipate any significant impact on premium(s), but must make you aware that there is the potential for premium changes.

Loss Fund – Minimum amount with no maximum, adjustable at 60 months at 125%. This is same as expiring.