

SEMINOLE COUNTY GOVERNMENT AGENDA MEMORANDUM

SUBJECT: Self Insurance Program Renewal

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

AUTHORIZED BY: Steve Howard  **CONTACT:** Steve Howard **EXT.** 5277

Agenda Date <u>9/26/06</u> Regular <input type="checkbox"/> Consent <input checked="" 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 10/1/06, and authorization for Chairman to execute agreements.

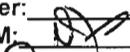
BACKGROUND:

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 \$4,309,564.00.

Attachment A provides a summary of each line of coverage and the County's self-insured retentions (SIR's) limits effective 10/01/06. Attachment B provides a summary of renewal premiums for FY 06/07 as compared to FY 05/06 for the County's Property, Liability and Workers' Compensation coverages.

Staff is recommending renewal through Arthur J. Gallagher & Company for an estimated cost of \$4,309,564.00.

Reviewed by:
Co Atty: _____
DFS: _____
Other: _____
DCM:  _____
CM:  _____
File No. <u>CASR02</u>

**SEMINOLE COUNTY BOARD OF COUNTY COMMISSIONERS
 PROTECTED SELF-INSURANCE PROGRAM
 PROPOSED PROGRAM
 2006-2007**

<u>PROPERTY</u> <i>Rockhill & Landmark</i> \$10,000,000 XS \$15,000,000	<u>GENERAL LIABILITY, AUTO LIABILITY & PUBLIC OFFICIALS' LIABILITY</u> <i>Princeton E & S</i> \$4,000,000 XS \$1,000,000	<u>WORK COMP</u> <i>Safety National</i> Statutory Limits XS \$500,000	<u>CRIME</u> <i>Princeton E & S</i> \$225,000 XS SIR	Aggregate Excess Applies when Loss Fund is Exhausted \$1,000,000
<i>Axis</i> \$5,000,000 XS \$10,000,000				
<i>Lexington Insurance</i> \$9,000,000 XS \$1,000,000	<i>Princeton E & S</i> \$900,000 XS SIR	<i>Princeton E & S</i> \$300,000 XS SIR	<i>Princeton E & S</i> \$225,000 XS SIR	LOSS FUND \$3,577,500
<i>Princeton E & S</i> \$800,000 XS SIR	Separate Limits apply to the different lines of liability			
<u>SIR</u> 200,000	<u>SIR</u> 100,000	<u>SIR</u> 200,000	<u>SIR</u> 25,000	

ATTACHMENT A



**SEMINOLE COUNTY BOCC
PROGRAM COST SUMMARY
2006/2007**

Lines of Coverage	05 – 06 Premiums	06-07 ESTIMATED Premiums
Public Entity Package Policy	1,338,298	1,810,621
Terrorism (\$9.8 xs \$200K)	68,500	45,000
Excess Property \$24M xs \$1M	491,228	1,747,851
Excess Property Terrorism	28,524	60,113
Excess Work Comp	468,916	270,230
Boiler & Machinery	20,533	28,379
Excess Liability (\$4M xs \$1M)	164,666	165,000
Excess Liability Terrorism	4,018	2,000
E-Com (including Terrorism)	10,910	9,251
TOTAL	\$2,595,593	\$4,138,445
Overall Percentage Premium INCREASE	4.7%	<u>59.4%</u>
FPLIPA – Tank Liability (estimated @ 10% increase)	7,987	8,800
Flood Policies (estimated @ 10% increase)	5,730	6,300
Loss Fund (No adjustment @ 60 months)	2,830,000	3,577,500
Loss Fund Percentage Increase	4.6%	26.4%
Citizens Assessment (Applies to ALL Property Policies)	N/A	156,018.48