

**BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY**

Meeting Date: Sept 19, 2007

Division: Employee Services

Bulk Item: Yes X No

Department: Risk Management

Staff Contact Person/Phone #: Maria Slavik X3178

AGENDA ITEM WORDING: Approval for the renewal with VFIS to provide Portable Equipment and Emergency Apparatus Insurance at a premium of \$41,429.47 to be paid in four quarterly payments.

ITEM BACKGROUND: The policies provide insurance coverage for Emergency Vehicle and Portable Equipment damages and/or losses.

PREVIOUS RELEVANT BOCC ACTION: This is the third renewal of the policy.

CONTRACT/AGREEMENT CHANGES: This renewal represents a decrease of \$8,610 or 17%. The deductible on the Portable Equipment Policy raised from \$100 per occurrence to \$250.

STAFF RECOMMENDATIONS: Approval.

TOTAL COST: \$41,429.47 yr **BUDGETED:** Yes X No

COST TO COUNTY: \$41,429.47 yr **SOURCE OF FUNDS:** Ad Valorum

REVENUE PRODUCING: Yes No X **AMOUNT PER MONTH** **Year**

APPROVED BY: County Atty SA OMB/Purchasing Risk Management

DOCUMENTATION: Included X Not Required

DISPOSITION:

AGENDA ITEM #




BOARD OF COUNTY COMMISSIONERS

Mayor Mario Di Gennaro, District 4
Mayor Pro Tem Dixie M. Spehar, District 1
George Neugent, District 2
Charles "Sonny" McCoy, District 3
Sylvia J. Murphy, District 5

Office of the Employee Services Division Director
The Historic Gato Cigar Factory
1100 Simonton Street, Suite 268
Key West, FL 33040
(305) 292-4458 – Phone
(305) 292-4564 - Fax



TO: Board of County Commissioners

FROM: Teresa E. Aguiar,
Employee Services Director 

DATE: August 20, 2007

SUBJ: Insurance Renewal – with VFIS (Volunteer Fire Insurance Service)
Portable Equipment & Emergency Apparatus

This item requests approval to accept renewal with VFIS to provide Portable Equipment and Emergency Apparatus Insurance coverage at a premium of \$41,429.47 to be paid in four quarterly payments. This insurance provides coverage for damages and/or loss to scheduled Emergency Vehicles and Portable Equipment.

The Emergency Vehicle policy is designed to protect the County's Fire and Emergency vehicles. With some of the covered vehicles on the policy having values of \$500,000 and more, it is believed that the amount is relatively low cost protection.

The Portable Equipment policy is primarily designed to cover the mobile radios used by the fire departments. Formerly, the deductible on this policy was at \$100.00 per occurrence. In review of the policy and our losses over the past few years, it is staff's recommendation to raise the deductible to \$250.00 in order to save the County over \$600 yr.

It is understood that VFIS has indicated that the premiums for the 2007/2008 policy year will be as follows:

Portable Equipment: \$5,906.76 (Deductible \$250)
Emergency Vehicle: \$35,522.71 (Deductible \$500)

The premiums have decreased approximately 17% and it is believed that VFIS is the only organization that offers this specialty coverage. It is therefore the recommendation that the Board approve the request to renew these policies as proposed. If you have any questions on this item, please do not hesitate to contact me at X4458.

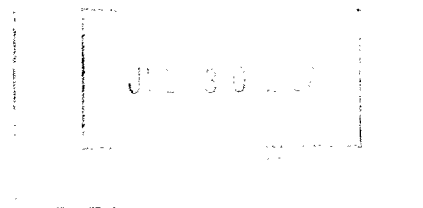


**Glatfelter
Insurance
Group**

A Tradition of Service. Founded on Trust.

July 23, 2007

The Monroe County Board of County Commissioners
PO Box 1026
Key West, FL 33041-1026



Re: Renewal Premiums

To Whom It May Concern:

Florida insurance regulations require that we advise you of your renewal premiums in advance of your renewal date. Based on the information in file at the present time, your policies are likely to renew with these approximate premiums:

<u>Policy Number</u>	<u>Policy Term</u>	<u>Premium</u>
VFISCM TBD	10/01/07 - 08	\$36,541
VFISTR TBD	10/01/07 - 08	\$7,673

These premiums are estimates only and are subject to change as additional information becomes available, including that on your renewal questionnaire.

Thank you for your business.

Very truly yours,

Connie S. Lapham
Underwriting Assistant

Cc:VFIS OF Florida

Cc:

Slavik-Maria

From: Raymond N. Witkowski Sr./VFIS/GIG [RWitkowski@vfis.com]
Sent: Wednesday, August 15, 2007 7:51 AM
To: Slavik-Maria
Cc: Joanne S. Detrick/FL4753/RD/GIG
Subject: Renewal Premiums

Maria,

Pursuant to our meeting yesterday I am sending you the renewal premiums and fees for the 10/01/07 - 2008 policy period.

Portable Equipment: \$6,031 + \$524.69 SC = \$6,555.69 Auto (Physical Damage Only: \$35,171 + \$351.71 SC = \$35,522.71

Total: \$41,202 + \$876.40 SC = \$42,078.40

We will issue the policy after receiving your approval. Thank you for your past support of the VFIS program.

Ray Witkowski
Florida Sales Executive
941-924-1376
cell 941-914-3473
fax 941-924-1636

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INTERISK CORPORATION

Consultants

Risk Management
Employee Benefits

1111 North Westshore Boulevard
Suite 208
Tampa, FL 33607-4711
Phone (813) 287-1040
Facsimile (813) 287-1041

August 17, 2007

Ms. Maria Slavik
Risk Management Specialist
Monroe County
1100 Simonton St.
Suite 268
Key West, Florida 33040

Subject: Renewal of VFIS Insurance

Dear Maria:

Mr. Raymond Witkowski's email of August 15, 2007 has been received and reviewed. The email provided the renewal premiums for the insurance on the County's Fire Emergency Vehicles and the portable and communication equipment used in the County's fire, ambulance and rescue operations. Coverage is provided by the American Alternative Insurance Company through the VFIS of Florida Insurance Agency. American Alternative enjoys a favorable rating from the A.M. Best & Company, the leading evaluator of insurance company operations. Two policies are actually purchased.

The first provides Physical Damage (Comprehensive and Collision) Insurance on the County's fire trucks and associated equipment. For the period of 10/1/06 to 10/1/07 the County paid a premium of \$41,045 for this coverage. American Alternative has agreed to renew this policy (with comparable terms and conditions) for a premium of \$35,523. This represents a reduction of \$5,522 (13%). It is understood that part of the reduction is directly related to the County removing a number of vehicles from the policy that were destroyed by Hurricane Wilma. It is believed that Alternative Insurance Company's renewal premium remains extremely competitive and it is recommended that the County renew this policy for the 2007/08 policy period as submitted by VFIS of Florida.

The second policy provides coverage for damage or destruction of portable and communication equipment used in the County's fire, ambulance and rescue operations. This policy is unique in that it has no specified limit and will pay for the repair or replacement of damaged equipment, regardless of cost. The premium for the 10/1/06 to 10/1/07 policy term was \$8,995. American Alternative has agreed to renew this policy for an annual premium of \$6,556. This represents a reduction of \$2,439 (27%). This is viewed as a favorable renewal proposal and it is recommended that the County renew this policy for the 2007/08 policy period as submitted by VFIS of Florida.

Please give me a call if you have any questions or wish to discuss this issue in more detail.

Cordially,

INTERISK CORPORATION

A handwritten signature in cursive script, appearing to read "S G Webber".

Sidney G. Webber
CPCU, ARM

CC: Teresa Aguiar