

BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: September 19, 2007

Division: Employee Services

Bulk Item: Yes X No

Department: Employee Benefits Office

Staff Contact Person: Maria Z. Fernandez-Gonzalez X4448

AGENDA ITEM WORDING: Approval to purchase Specific Excess Workers' Compensation Insurance from Star Insurance of Brown & Brown Insurance for a projected annual premium of \$161,246.50 (unauditable).

ITEM BACKGROUND: Monroe County is currently insured with Safety National of Brown & Brown Insurance with an annual premium of \$155,000 (unauditable)

PREVIOUS RELEVANT BOCC ACTION: Services bid in 2003 – Midwest was the selected company; Services re-bid in 2006 at the direction of the BOCC and Safety National of Brown & Brown Insurance was selected.

CONTRACT/AGREEMENT CHANGES: 4% increase in the annual premium to \$161,246.50 (unauditable). Increase is due to the increase in WC claims for this fiscal year.

STAFF RECOMMENDATIONS: Approval

TOTAL COST: \$161,246.50

BUDGETED: Yes X No

COST TO COUNTY: \$161,246.50

SOURCE OF FUNDS: Primarily Ad Valorem

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

APPROVED BY: County Atty SA OMB/Purchasing Risk Management MS

DOCUMENTATION: Included X To Follow Not Required

DISPOSITION:

AGENDA ITEM #

MONROE COUNTY BOARD OF COUNTY COMMISSIONERS

CONTRACT SUMMARY

Contract with: Star Insurance Contract # _____
 Effective Date: October 1, 2007
 Expiration Date: September 30, 2008
 Contract Purpose/Description: Approval to purchase Specific Excess Workers' Compensation Insurance.

Contract Manager: _____ 4448 _____ Employee Services
Maria Z. Fernandez-Gonzalez
 (Name) (Ext.) (Department)

for BOCC meeting on September 19, 2007 Agenda Deadline: September 4, 2007

CONTRACT COSTS

Total Dollar Value of Contract: \$161,246.50 Current Year Portion: \$ _____
 Budgeted? Yes No Account Codes: 501-07502-530450- _____ - _____
 Grant: \$ _____
 County Match: \$ _____

ADDITIONAL COSTS

Estimated Ongoing Costs: \$ _____/yr For: _____
 (Not included in dollar value above) (eg. maintenance, utilities, janitorial, salaries, etc.)

CONTRACT REVIEW

	Date In	Changes Needed	Reviewer	Date Out
Division Director	<u>8-24-07</u>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	<u>[Signature]</u>	<u>8-24-07</u>
Risk Management <i>PSK</i>	<u>8-24-07</u>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	<u>[Signature]</u>	<u>8-24-07</u>
O.M.B./Purchasing <i>W 4/28/07</i>	<u>8-28-07</u>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	<u>[Signature]</u>	<u>8/30/07</u>
County Attorney	<u>8/27/07</u>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	<u>[Signature]</u>	<u>8/27/07</u>

Comments: _____

INSURANCE PROPOSAL

PREPARED FOR:

Monroe County Board of
County Commissioners

PRESENTED BY:

Account Executive: Scott T. Hindman, CIC
Address: Brown & Brown Insurance, Leesburg, FL
Phone: 352-787-2431
Fax: 352-787-9922
Date: 10-1-07

This presentation is designed to give you an overview of the insurance coverage's we recommend for your company, based upon information provided by you. It is meant only as a general understanding of your insurance needs and should not be construed as a legal interpretation of the insurance policies that will be written for you. Please refer to your specific insurance contracts for details on coverage's, conditions and exclusions. Specimen copies of all policies are available upon request prior to binding of coverage. If there are any other areas that need to be evaluated prior to binding of coverage, please bring this to our attention. Should any of your exposures change after coverage is bound, such as operations, hiring employees in new states, buying additional property etc. please let us know as proper coverage can be discussed.

EXCESS COMMERCIAL GENERAL LIABILITY COVERAGE

Named Insured: Monroe County Board of County Commissioners

Policy Term: 10/1/07 to 10/1/08

Coverage Written On: (X) Occurrence Form

Limits	Coverage Description
\$ 1,000,000	Each Occurrence - Bodily Injury and Property Damage
\$ 1,000,000	General Aggregate
\$ 1,000,000	Employee Benefits

Self Insured Retention \$1,000,000

EXCESS WORKERS' COMPENSATION POLICY

Named Insured: Monroe County Board of County Commissioners

Policy Term: 10/1/2007 to 10/1/2008

Limits

Coverage Description

\$ 1,000,000	Employer's Liability – Each Accident
\$ 1,000,000	Employer's Liability – Disease- Policy Limit
\$ 1,000,000	Employer's Liability- Disease- Each Employee

Self insured retention \$1,000,000

NON AUDITABLE

WORKERS' COMPENSATION COVERAGES

Bodily Injury By Accident Limit

This is the most your insurer will pay under Coverage B, Employers Liability, for all claims arising out of any one accident, regardless of the number of claims that may arise out of the accident.

Bodily Injury By Disease - Each Employee

This is the most your insurer will pay for damages due to bodily injury by disease to any one employee.

Bodily Injury By Disease - Policy Limits

This is the aggregate limit that stipulates the most your insurer will pay for employee bodily injury by disease claims during the policy period regardless of the number of employees who make such claims.

Statutory Workers' Compensation

This coverage is used to comply with the Workers' Compensation Coverage required by your state law. Under this requirement, an employee can be compensated if they are injured while working for you, regardless of your negligence as an employer.

PREMIUM SUMMARY

Named Insured: Monroe County Board of County Commissioners

Policy Term: 10/1/2007 to 10/1/2008

DESCRIPTION OF COVERAGE	PREMIUM
Property Not quoted at this time	\$
Commercial Inland Marine Not quoted at this time	\$
Commercial General Liability	\$ included
Crime Not quoted at this time	\$
Commercial Automobile Not quoted at this time	\$
Boiler and Machinery Not quoted at this time	\$
Worker's Compensation	\$159,650.00
Umbrella Not quoted at this time	\$
1% Florida Surcharge	\$ 1,596.50
Total Estimated Premium	\$ 161,246.50

Best Rating: Star Insurance Co. A- Stable rating

SUMMARY OF PROPOSED PREMIUMS AND RELATED INFORMATION

Premiums as Proposed: \$161,246.50

Payment Plan: Annual

This proposal is based upon the exposures to loss made known to the Agency. Any changes in these exposures (i.e., new operations, new products, additional states of hire, etc.) need to be promptly reported to us in order that proper coverage(s) may be put into place.

Signed application.

Compensation In addition to the commissions or fees received by us for assistance with the placement, servicing, claims handling, or renewal of your insurance coverages, other parties, such as excess and surplus lines brokers, wholesale brokers, reinsurance intermediaries, underwriting managers and similar parties, some of which may be owned in whole or in part by Brown & Brown, Inc., may also receive compensation for their role in providing insurance products or services to you pursuant to their separate contracts with insurance or reinsurance carriers. That compensation is derived from your premium payments. Additionally, it is possible that we, or our corporate parents or affiliates, may receive contingent payments or allowances from insurers based on factors which are not client-specific, such as the performance and/or size of an overall book of business produced with an insurer. We generally do not know if such a contingent payment will be made by a particular insurer, or the amount of any such contingent payments, until the underwriting year is closed. That compensation is partially derived from your premium dollars, after being combined (or "pooled") with the premium dollars of other insureds that have purchased similar types of coverage. We may also receive invitations to programs sponsored and paid for by insurance carriers to inform brokers regarding their products and services, including possible participation in company-sponsored events such as trips, seminars, and advisory council meetings, based upon the total volume of business placed with the carrier you select. We may, on occasion, receive loans or credit from insurance companies. Additionally, in the ordinary course of our business, we may receive and retain interest on premiums you pay from the date we receive them until the date the premiums are remitted to the insurance company or intermediary. In the event that we assist with placement and other details of arranging for the financing of your insurance premium, we may also receive a fee from the premium finance company.

Questions and Information Requests. Should you have any questions, or require any additional information, please contact this office at 1-800-293-2431 or, if you prefer, submit your question or request online at <http://www.bbinsurance.com/customerinquiry.shtml>.