



# Agenda Report

2725 Judge Fran Jamieson  
Way  
Viera, FL 32940

## Consent

F.10.

5/3/2022

**Subject:**

Renewal of Annual Property Insurance Program Effective 6/1/2022

**Fiscal Impact:**

Premiums not to exceed \$2,772,594; funds budgeted in Business Area 5050 / Cost Center 389610.

**Dept/Office:**

Office of Human Resources / Risk Management

**Requested Action:**

It is requested the Board of County Commissioners authorize the Risk Manager to bind and secure placement of the County's Property insurance coverage with an effective date of 6/1/2022 at a premium not to exceed \$2,772,594.

**Summary Explanation and Background:**

Risk Management instructed the County's property/casualty insurance broker, Brown & Brown, to secure coverage and renewal quotes for the Property Insurance program in order to mitigate the County's loss exposure, maintain the County's ability to recover from a major catastrophic loss, and ensure the County is in compliance with FEMA's "Obtain and Maintain" insurance requirements.

Current market conditions remain unfavorable due to world-wide catastrophic losses in successive years, 2017 through 2021. With total catastrophic losses in the United States exceeding \$100 Billion for the last two (2) years, carriers are reacting to significant increases in costs to repair and rebuild, resulting in an extreme, negative impact to any softening of the market.

After evaluating the County's needs for Property and Flood coverage, Brown & Brown surveyed property insurance markets and solicited quotes from 28 different carriers. Brown & Brown has presented Brevard County with a 6/1/2022 property insurance renewal proposal which reflects a premium cost of (not to exceed) \$2,772,594; this is an increase of \$351,888 (14.5%) over expiring premium. This change is a consequence of the previously-mentioned market conditions and an increase in the County's total insurable property values.

Pursuant to the Stafford Act, FEMA requires the County to obtain and maintain insurance for its assets as long as coverage is reasonably available as determined by the State Insurance Commissioner. Compliance with this requirement is critical to current and future FEMA funding, and a failure to properly insure can result in FEMA defunding or declining to fund claims. In order to maintain adequate levels of insurance coverage, the current proposal includes procuring flood coverage for high hazard zones and for high exposure assets such as piers,

---

boardwalks and docks.

The broker will continue to vigorously negotiate on behalf of the County, and explore alternative insurance options with interested insurers prior to the 6/1/2022 renewal date. All viable options and cost-saving solutions will be evaluated by County staff with the objective of securing additional rate reductions while maintain current coverage levels.

**Clerk to the Board Instructions:**



Kimberly Powell, Clerk to the Board, 400 South Street • P.O. Box 999, Titusville, Florida 32781-0999

Telephone: (321) 637-2001  
Fax: (321) 264-6972  
Kimberly.Powell@brevardclerk.us

May 04, 2022

MEMORANDUM

TO: Jerry Visco, Human Resource Director

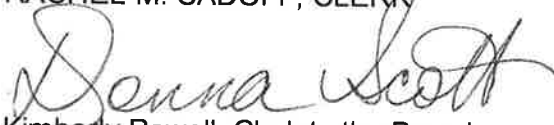
RE: Item F.10., Renewal of Annual Property Insurance Program Effective June 1, 2022

The Board of County Commissioners, in regular session on May 03, 2022, authorized the Risk Manager to bind and secured placement of the County's Property insurance coverage with an effective date of June 1, 2022, at a premium not to exceed \$2,772,594.

Your continued cooperation is always appreciated.

Sincerely,

BOARD OF COUNTY COMMISSIONERS  
RACHEL M. SADOFF, CLERK

*for*   
Kimberly Powell, Clerk to the Board

/pp

Cc: Risk Management  
Finance  
Budget





## Market Summary 6/1 Renewals

### Non-Utilities Property

National Fire & Marine	Quoted
Ironshore	Quoted
Endurance American	Quoted
Everest	Quoted
Evanston	Quoted
StarStone	Quoted
Landmark	Quoted
ACE/Westchester	Indication higher on primary layer
Amrisc	Declined due to capacity restraints
Arch	Pending Response
Arrowhead	Unable to compete
Aspen	Pending Response
AWAC	Indication higher on primary layer
AXIS	Declined due to capacity restraints
Beazley (Lloyds)	Pending Response
General Star	Unable to compete
Great American	Incumbent; Non-Renewed 30 x 20 layer
Hallmark	Unable to compete
IBIS/Catalytic	Unable to compete
James River	Excess Market - \$10m attachment point would be too low to participate
Lexington	Pending Response
Maxim/Navigators	Unable to compete
Mitsui	Would not be able to attach anywhere in first \$50m
RLI/Mt. Hawley	Declined - No longer writing new business in FL
XL	Would not be able to participate in first \$20m due to guidelines
Velocity	Pending Response

## Market Summary 6/1 Renewals

### Utilities Property

Starr Tech (Incumbent)	Quoted \$476,926
Aegis	Declined - unable to compete

### Boiler & Machinery/Equipment Breakdown

Federal Insurance Company/Chubb (Incumbent)	Auto-renewed \$17,416
National Fire Insurance of Hartford (CNA)	Quoted \$14,969 <ul style="list-style-type: none"> <li>• Reduced deductible to \$5k</li> </ul>
Travelers	Quoted \$23,012

### Inland Marine

XL Specialty Insurance Company/AXA XL (Incumbent)	Quoted \$71,959
AGCS	Not competitive
Great American	Not competitive
Travelers	Unable to compete
Allianz	Unable to compete

### Ocean Marine

Great American Insurance Company (Incumbent)	Quoted \$9,462
ACE American	Not competitive
Century Surety	Not competitive