

Meeting Date
May 12, 2015



AGENDA	
Section	New Business
Item No.	VI E 1

**AGENDA REPORT**  
**BREVARD COUNTY BOARD OF COUNTY COMMISSIONERS**

SUBJECT:	Renewal of Property Insurance Program effective 6/1/15
DEPT/OFFICE:	Office of Human Resources / Risk Management

Requested Action:

It is requested that the Board of County Commissioners authorize the Insurance Director to bind & secure placement of the County's Property insurance coverage with an effective date of 6/1/15.

Summary Explanation & Background:

In anticipation of another difficult budget year Risk Management instructed Public Risk Insurance Agency (PRIA) the County's casualty insurance broker, that every effort should be made to secure a renewal premiums at a cost as close as possible to the expiring 2014 property premiums. In part due to property insurance market conditions in Florida, favorable changes in the wind storm models used by insurance carriers and the lower than expected catastrophic property losses around the world and in the U.S., it was expected that Brevard County's 2015 property renewal would benefit from improved market conditions and result in premiums at or slightly below the current premium of \$1,620,859.

After having surveyed the property insurance markets and soliciting quotes from 22 different insurance carriers, PRIA has presented Brevard County with a 2015 property insurance renewal proposal with premiums of \$1,468,998. This is a \$151,861 (9.4%) premium reduction from the expiring program and follows a \$282,948 (14.9%) premium reduction in 2014 for the County's property insurance program.

The renewal coverage will mirror current property insurance coverage providing wind storm insurance limits of \$45 million (\$25M on utility property and \$20M on all other municipal property with a deductible of 5% of the total insured values at each location subject to a minimum deductible of \$500,000 per occurrence) with all other risks of loss having insurance limits of \$105 million (\$75M on utility property and \$30M on all other municipal property with a deductible of \$100,000 per occurrence). Coverage will be underwritten using just 5 different insurance carriers in 2015 compared to 6 carriers in the current program. These coverage limits and program structure have previously been evaluated by the FL Office of Insurance Regulation and found to be "Reasonable" thus meeting the minimum insurance requirements for future federal assistance from FEMA under the Stafford Act.

Therefore, in order to maintain adequate levels of insurance coverage, Risk Management requests the Board's authority to execute the policies and /or contracts recommended by PRIA, necessary to bind the 2015 property insurance renewal immediately at a cost of \$1,468,998.

Clerk to the Board instruction:

Exhibits Attached:

Contract /Agreement (If attached):		Reviewed by County Attorney	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	PR	<input type="checkbox"/>
County Manager		Assistant County Manager		Department Director / Extension Gerard Visco, Insurance Director / 5-5446				
Stockton Whitten								



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May 14, 2015

MEMORANDUM

TO: Gerard Visco, Insurance Director

RE: Item VI.E.1., Renewal of Property Insurance Program Effective June 1, 2015

The Board of County Commissioners, in regular session on May 12, 2015, authorized you to bind and secure placement of the County's property insurance coverage with an effective date of June 1, 2015.

Your continued cooperation is greatly appreciated.

Sincerely yours,

BOARD OF COUNTY COMMISSIONERS  
SCOTT ELLIS, CLERK

Tammy Etheridge, Deputy Clerk

cc: Finance  
Budget