



ITEM SUMMARY

MEETING DATE: 09/08/2021

FROM: Suzanne Skidmore, Director of Human Resources

SUBJECT: Award of Property & Casualty and Workers' Compensation Insurance

BACKGROUND

In August of 2019, the City of Greenacres entered into a 2-year rate guarantee program for its Property & Casualty and Workers' Compensation insurance policies. Fiscal Year 2021/2022 will mark the end of that 2-year rate lock. The City's staff requested that the Gehring Group submit the insurance programs back out to the market for coverage and premium comparisons.

ANALYSIS

The City of Greenacres' budget projection of insurance premiums for FY 2021/2022 reflected an expected overall premium increase of 11.7% for all property & casualty, and workers' compensation insurance policies.

The Gehring Group sought out competitive proposals from insurance carriers willing to provide comparable coverages to the currently expiring program. They received two competitive responses. One from the incumbent carrier, Preferred Governmental Insurance Trust (PGIT), and another from the Florida Municipal Insurance Trust (FMIT). The proposal from PGIT resulted in an overall annual premium of \$492,196, a decrease of \$143,009, or -22.5%. The proposal from FMIT resulted in an overall annual premium of \$527,744, a decrease of \$107,461, or -17%. Both carriers provided policy premiums for comparable coverages that were below budget projections.

FINANCIAL INFORMATION

Sufficient funds are available to provide for this award and this award resulted in a reduction in budgeted amounts.

LEGAL

The recommendation for this award is in accordance with the requirements of the City policies and procedures

STAFF RECOMMENDATION

Award lines of coverage program to PGIT at the proposed terms and conditions.

City of Greenacres
Property & Casualty Insurance Program Renewal
2021-2022 Coverage Evaluation



Coverage Type	Current			Renewal			Alternate 1		
	Deductible	Coverage Limits	Premium	Deductible	Coverage Limits	Premium	Deductible	Coverage Limits	Premium
Property	AOP - \$1,000 NS - 5%	\$28,452,614 TIV	\$ 173,404	AOP - \$1,000 NS - 5%	\$28,525,636 TIV	\$ 134,954	AOP - \$500 NS - 5%	\$28,940,532 TIV	\$ 179,261
Equipment Breakdown	1,000	\$28,452,614 TIV	Included in Property Premium	1,000	\$28,525,636 TIV	Included in Property Premium	500	\$28,940,532 TIV	Included in Property Premium
Flood Excess	\$ 500,000 \$500 up to \$50,000	5,000,000	Included in Property Premium	500,000	5,000,000	Included in Property Premium	\$ 7,500,000	Property Premium	Included in Property Premium
Inland Marine		1,502,110	5,287		1,502,110	5,287		1,365,726	Property Premium
Scheduled:	Various	853,644	Included in Property Premium	Various	853,644	Included in Property Premium		365,726	
Unscheduled:	500	648,466	Included in Property Premium	500	648,466	Included in Property Premium	\$ 1,000,000		
Deadly Weapons/Active Assailant	Not Included		1,141	-	1,000,000	1,141	-	All Relevant Costs	
Crime									
Employee Dishonesty:	1,000	250,000		1,000	250,000		1,000	250,000	Included in Property Premium
Theft or Disappearance:	1,000	250,000		1,000	250,000		1,000	250,000	
Faithful Performance:	1,000	250,000		1,000	250,000		1,000	250,000	
Funds Transfer Fraud:	1,000	250,000		1,000	250,000		1,000	250,000	
Sub Total - Property			\$ 179,832			\$ 141,382			\$ 179,261
General Liability	Deductible \$0 Payroll Basis:	1,000,000 9,696,592	72,838	Deductible \$0 Payroll Basis:	1,000,000 9,396,592	54,951	Deductible \$0 Payroll Basis:	1,000,000 9,396,592	37,694
Public Official Liability & Employment Practices	-	1,000,000	66,956	-	1,000,000	56,287	-	1,000,000	61,270
Cyber Liability	25,000	2,000,000	Included in GL	25,000	2,000,000	2,500	25,000	2,000,000	Included in GL
Auto Liability	-	1,000,000	15,337	-	1,000,000	13,299	-	1,000,000	35,358
Auto Physical Damage	500	75 Units	25,636	500	72 Units	24,235	500	72 Units	Included in AL
Sub Total - Liability			\$ 180,767			\$ 151,272			\$ 134,222
Workers' Comp	1,000	Statutory	271,302	1,000	Statutory	195,028	1,000	Statutory	209,647
Employers liability:	\$	1,000,000		\$	1,000,000		\$	1,000,000	
Payroll Basis:	\$	9,666,881		\$	9,396,592		\$	10,911,465	
Experience Mod:		1.26			1.25			1.25	
Sub Total - Workers' Comp			\$ 271,302			\$ 195,028			\$ 209,647
Storage Tank Liability	10,000	\$1,000,000	1,561	10,000	\$1,000,000	1,561	10,000	\$1,000,000	1,561
Statutory AB&D			\$ 1,743			\$ 1,743			\$ 1,743
In the Line of Duty:	\$	75,000.00		\$	75,000.00		\$	75,000.00	
Fresh Pursuit:	\$	75,000.00		\$	75,000.00		\$	75,000.00	
Arson & Intentional Death:	\$	225,000.00		\$	225,000.00		\$	225,000.00	
Death by Pandemic Disease	Not Included			-	75,000.00	1,210	-	75,000.00	1,210
Sub Total - Accillaries			\$ 3,304			\$ 4,514			\$ 4,514
Total Annual Premium:			\$ 635,205			\$ 492,196			\$ 527,744
\$ Increase or Decrease			N/A			(143,009)			(107,461)
% Increase or Decrease			N/A			-22.5%			-17%