

# Loxahatchee River District

Water Reclamation | Environmental Education | River Restoration

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D. Albrey Arrington, Ph.D., Executive Director



## MEMORANDUM

DATE: FEBRUARY 13, 2014

SUBJECT: LIABILITY INSURANCE RENEWAL

DEPARTMENT: ADMINISTRATION

Anna Williams, Administrative Services Director

BUDGET: These insurance policies were budgeted in the amount of \$397,180.

PURCHASE AMT.: \$344,196

ACTION REQUEST: Authorize Executive Director to enter into an agreement with Public Risk Insurance Agency for Property, General Liability, Automobile Liability and Physical Damage, Workers Compensation, and Fiduciary Liability insurance.

DESCRIPTION: The District needs to renew these insurance policies, which will expire on April 30, 2014. Passage of the motion below will result in an agreement for insurance coverage with *Preferred* through our agent – Brian Cottrell of Public Risk Insurance Agency. The renewal quote is summarized below and in detail on the following two pages, and represents a cost increase of 2.0%.

<b>Policy</b>	<b>2014-2015 Cost</b>	<b>Renewal Cost</b>	<b>% Change</b>
Property/Mobile Equipment	\$ 244,100	\$ 246,646	1.0 %
General Liability	\$ 18,231	\$ 19,250	5.6 %
Automobile	\$ 15,524	\$ 16,300	5.0 %
Workers Compensation	\$ 59,455	\$ 62,000	4.3 %
<b>Total</b>	<b>\$ 337,310</b>	<b>\$ 344,196</b>	<b>2.0 %</b>

Please note in the attached summary of coverages, the four policies shown at the bottom of the second page (i.e., Fiduciary Liability, Ocean Marine, Flood) are purchased as stand-alone policies at other times through the year. We have shown them here, so you can see a full picture of the insurance policies provided by *Preferred* through Public Risk Insurance Agency.

### SUGGESTED MOTION:

**“THAT THE DISTRICT GOVERNING BOARD authorize the Executive Director to enter into a one year agreement with Public Risk Insurance Agency for Property, General Liability, Automobile Liability and Physical Damage, Workers Compensation and Fiduciary Liability insurance in the amount of \$344,196.”**

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Gordon M. Boggie  
Board Member

Stephen B. Rockoff  
Board Member

Dr. Matt H. Rostock  
Chairman

Harvey M. Silverman  
Board Member

James D. Snyder  
Board Member

<b>Covered Party:</b>	<b>Loxahatchee River District</b>
<b>Effective Date:</b>	<b>5/1/2015</b>

<b>Renewal Estimates</b>
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LINE OF COVERAGE	2014/2015			2015/2016		
	LIMIT	DEDUCTIBLE/SIR	ANNUAL PREM	LIMIT	DEDUCTIBLE/SIR	ANNUAL PREM
<b>Property:</b>						
<b>Preferred Gov't Ins. Trust</b>						
Buildings & Contents	\$ 63,123,144	\$ 10,000	\$ 235,454	\$ 63,123,144	\$ 10,000	\$ 238,000
Equipment Breakdown	\$ 50,000,000	\$ 10,000		\$ 50,000,000	\$ 10,000	
Flood	\$ 5,000,000	\$ 10,000		\$ 5,000,000	\$ 10,000	
Earthquake						
Terrorism						
Windstorm	\$ 63,123,144	5% or \$25,000 minimum		\$ 63,123,144	5% or \$25,000 minimum	
Accounts Receivable	\$ 250,000	\$ 10,000		\$ 250,000	\$ 10,000	
Additional Expense	\$ 500,000	\$ 10,000		\$ 500,000	\$ 10,000	
Business Income	\$ -			\$ -		
Errors & Omissions	\$ 250,000	\$ 10,000		\$ 250,000	\$ 10,000	
Demolition & Increased Cost of Construction	\$ 1,250,000	\$ 10,000		\$ 1,250,000	\$ 10,000	
<b>Inland Marine:</b>						
Communications Equipment	\$ 25,000		\$ 8,646	\$ 25,000		\$ 8,646
Mobile Equipment	\$ 1,701,566			\$ 1,701,566		
Electronic Data Processing	\$ 75,000			\$ 75,000		
Emergency Services Portable Equip	\$ 50,000			\$ 50,000		
Fine Arts	\$ 10,000			\$ 10,000		
Other Inland Marine	\$ 10,000			\$ 10,000		
Rented Borrowed Leased Equipment	\$ 50,000			\$ 50,000		
Valuable Papers	\$ 50,000			\$ 50,000		
Watercraft	\$ 5,016			\$ 5,016		
<i>Other - Please Specify</i>						
		<b>Sub-Total</b>	<b>\$ 244,100</b>		<b>Sub-Total</b>	<b>\$ 246,646</b>
<b>General Liability:</b>						
<b>Preferred Gov't Ins Trust</b>						
General Liability	\$ 3,000,000	\$ 5,000	\$ 18,231	\$ 3,000,000	\$ 5,000	\$ 19,250
Employee Benefits	\$ 3,000,000			\$ 3,000,000		
			\$ -			\$ -
		<b>Sub-Total</b>	<b>\$ 18,231</b>		<b>Sub-Total</b>	<b>\$ 19,250</b>
<b>Automobile:</b>						
<b>Preferred Gov't Ins. Trust</b>						
Auto Liability	\$ 3,000,000	\$ -	\$ 7,931	\$ 3,000,000	\$ -	\$ 8,300
Uninsured Motorist	\$ 30,000	\$ -		\$ 30,000	\$ -	
Collision	Symbol 10, 8	\$ 1,000	\$ 7,593	Symbol 10, 8	\$ 1,000	\$ 8,000

*This proposal is intended to give a brief overview. Higher limits may be available. Please refer to coverage forms for complete details regarding definition of terms, exclusions and limitations.*

LINE OF COVERAGE	2014/2015			2015/2016		
	LIMIT	DEDUCTIBLE/SIR	ANNUAL PREM	LIMIT	DEDUCTIBLE/SIR	ANNUAL PREM
Hired Physical Damage	\$ 35,000	\$ 1,000		\$ 35,000	\$ 1,000	
Medical Payments	\$ 2,500			\$ 2,500		
<i>Other - Please Specify</i>						
		<b>Sub-Total</b>	<b>\$ 15,524</b>		<b>Sub-Total</b>	<b>\$ 16,300</b>
<b>Workers' Compensation:</b>						
<b>Preferred Gov't Ins. Trust</b>	13/14 Payroll: \$4,130,131			14/15 Payroll: \$4,130,131		
	Experience Mod: .75			Experience Mod: .80 Estimated		
Workers' Compensation	Statutory	\$ -	\$ 59,455	Statutory	\$ -	\$ 62,000
Employers Liability	\$1m/\$1m/\$1m	\$ -	Included	\$1m/\$1m/\$1m	\$ -	Included
		<b>Sub-Total</b>	<b>\$ 59,455</b>		<b>Sub-Total</b>	<b>\$ 62,000</b>
<b>Public Officials:</b>	<b>11/19/14 - 11/19/15</b>					
<b>Ace American Insurance</b>						
Public Officials Liability	2,000,000 / 2,000,000	\$ -	\$ 13,725	2,000,000 / 2,000,000	\$ -	
Employment Practices Liability	2,000,000 / 2,000,000	\$ 25,000	incl	2,000,000 / 2,000,000	\$ 25,000	incl
		<i>Fees</i>	\$ 178		<i>Fees</i>	
		<b>Sub-Total</b>	<b>\$ 13,903</b>		<b>Sub-Total</b>	<b>\$ -</b>
<b>Fiduciary Liability: Money Purchase Plan</b>	<b>5/1/13 - 5/1/16</b>					
<b>Travelers</b>						
Fiduciary Liability	\$ 2,000,000	\$ 5,000	\$ 13,176	\$ 2,000,000	\$ 5,000	
			incl			incl
		<i>Fees</i>			<i>Fees</i>	
		<b>Sub-Total</b>	<b>\$ 13,176</b>		<b>Sub-Total</b>	<b>\$ -</b>
<b>Ocean Marine: (Hull Coverage)</b>	<b>12/16/14 - 15</b>					
<b>Markel American Insurance</b>						
Hull coverage - 2014 22' Aluminum Sea Ark	\$ 20,000	\$ 1,000	\$ 700	\$ 20,000	\$ 1,000	
		or \$2,500 named storm			or \$2,500 named storm	
		<i>Fees</i>			<i>Fees</i>	
		<b>Sub-Total</b>	<b>\$ 700</b>		<b>Sub-Total</b>	<b>\$ -</b>
<b>Flood - River Center</b>	<b>4/8/14 - 15</b>					
<b>Wright National Flood</b>						
Building	\$ 500,000	\$ 1,000	\$ 1,091	\$ 500,000	\$ 1,000	
Contents	\$ 500,000	\$ 1,000		\$ 500,000	\$ 1,000	
		<i>Fees</i>	\$ 99		<i>Fees</i>	
		<b>Sub-Total</b>	<b>\$ 1,190</b>		<b>Sub-Total</b>	<b>\$ -</b>
<b>TOTAL PREMIUM</b>	May 1st Total		<b>\$ 337,310</b>			<b>\$ 344,196</b>
	Annual Total		<b>\$ 367,900</b>			

Overall Incr. 2.04%

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