

RISK MANAGEMENT

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June 19, 2018

To: Mahesh Sharma
County Administrator

From: Rhonda Oostenryk
Risk Manager

Subject: Annual Insurance Renewals

Attached is an insurance summary, prepared by the County's insurance broker, Arthur J. Gallagher, regarding renewal premiums for the period July 1, 2018 through June 30, 2019. The county's overall insurance program renews July 1 each year and currently uses Chubb Insurance for property coverage and Travelers Insurance for most liability coverages. Worker's compensation coverage is through Midwest Employers Casualty Company.

The Chubb property renewal premium is up 4.7% compared to the expiring policy, and includes a 1.5% increase in valuation for many buildings, as well as a 6% increase in valuation for certain county buildings. The increases in valuations reflect the county's goal to continually review and evaluate buildings limits for major county buildings. The County has a \$100,000 deductible for property.

The Travelers liability premium is up 8.9% compared to the expiring policy. The liability premium is driven largely by exposure, and there are increases in law enforcement liability, employment practices liability and auto liability. Scott County has a \$300,000 self-insured retention for liability claims. The county also moved its liquor liability policy for Glynn's Creek Golf Course to Travelers this spring, resulting in a doubling of coverage - to \$2 million per occurrence - while also reducing premium. There is no deductible for liquor liability.

Worker's compensation coverage is up just 3.2% compared to expiring premium, which is reflective of the county's very good numbers in terms of claims frequency and also claims handling. Scott County continues rank in the top 8% of all public entities with Midwest Employers in terms of claims frequency and claims handling. As a result, MWECC has again offered a 2-year premium option for \$61,488 per year. We recommend the county elect to go with the 2-year policy option. Scott County has a \$500,000 self-insured retention for worker's compensation coverage.

Total premium for main coverage lines is \$433,113, which is up a modest 5.7% compared to last year. Scott County continues to receive preferential pricing and coverage terms due to its overall safety efforts and limited claims activity.

I will attend the next Committee of the Whole meeting with representation from AJG to discuss the renewal proposal and to answer any questions you or the Board may have.

2018-19

Scott County Insurance Summary



Gallagher

Insurance | Risk Management | Consulting

7/1/2018



Gallagher

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Scott County 2018-19

Insurance summary

<u>Coverage</u>	<u>Expiring</u>	<u>Renewal</u>
Liability	\$108,037	\$117,726
Property	99,253	104,016
Automobile	26,110	32,048
Automobile-EMA	3,225	3,548
Umbrella	61,904	62,498
Med. Professional	43,919	43,919
Cyber/Internet liability	7,399	7,870
<u>Worker's Comp</u>	<u>59,573</u>	<u>61,488</u>
Total	\$409,420	\$433,113



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LIABILITY

Travelers

Premises/Operations/Products Liability

Auto Liability - # of autos increased 9% from 162 to 176

Law Enforcement Liability

Management Liability/Employment Practices Liability

** New - Liquor Liability (\$2 million occ./agg.), \$1,279 premium, \$0 deductible

Social Services Professional Liability (Community Services)

Scott County Health Department Clinic (GL)

Umbrella Excess Liability

\$10,000,000 total liability limit, including umbrella, \$5 million sublimit for EPL and PEML

Exposure increases:

Law Enforcement Liability	+6
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Employment Practices Liability	+25
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Auto Liability	+14
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\$300,000 self-insured retention

NO exclusion for County handling claims (bad faith/extra contractual)



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PROPERTY

Chubb

Building/contents limit \$116,407,565

\$5,000,000 limit on mobile equipment (\$7,060,943 values)

\$2,500,000 limit on vehicles **while parked** (\$9,689,088 values) +14 vehicles

Earthquake \$50,000,000 limit

\$100,000 deductible

Total property TIV up 3.7% from previous year.

Total property, vehicle, equipment values

Expiring	\$128,400,177
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Renewal	\$133,157,596
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\$100,000 deductible for property, vehicles and equipment



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WORKER'S COMPENSATION

Midwest Employers

Unlimited WC benefits

County approved as claims administrator

\$500,000 self-insured retention each occurrence

Expiring	\$59,573
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***Option

Two-year policy, billed annually

2017-18	\$61,488
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2018-19	\$61,488
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MEDICAL PROFESSIONAL

Lloyd's

Board of Health

Nurses

Jail nurses

Doctors covered for administrative duties only

Covers Sec 1983 civil rights discrimination claims

\$1,000,000 liability limit

\$25,000 deductible

THE COUNTY AUDITOR'S SIGNATURE CERTIFIES
THAT THIS RESOLUTION HAS BEEN FORMALLY
APPROVED BY THE BOARD OF SUPERVISORS ON

DATE

SCOTT COUNTY AUDITOR

R E S O L U T I O N

SCOTT COUNTY BOARD OF SUPERVISORS

JUNE 28, 2018

APPROVING THE FY19 INSURANCE RENEWALS WITH TRAVELERS, CHUBB,
LLOYD'S AND MIDWEST EMPLOYERS CASUALTY COMPANY
IN THE AMOUNT OF \$433,113.00.

BE IT RESOLVED BY the Scott County Board of Supervisors as follows:

Section 1. That the renewal of liability insurance with Travelers in the amount of \$223,690 for fiscal year 2019 is hereby approved.

Section 2. That the renewal of property insurance with Chubb in the amount of \$104,016 for fiscal year 2019 is hereby approved.

Section 3. That the renewal of medical-professional insurance with Lloyd's in the amount of \$43,919 for fiscal year 2019 is hereby approved.

Section 4. That the renewal of workers compensation insurance with Midwest Employers in the annual amount of \$61,488 for FY 2019 and FY 2020 (two year renewal) is hereby approved.

Section 5. This resolution shall take effect immediately.