



Brevard County Board of County Commissioners

2725 Judge Fran Jamieson
Way
Viera, FL 32940

Legislation Text

File #: 4936, Version: 1

Subject:

Approval of Liability, Workers' Compensation, and Aviation Insurance Programs for FY 2022-23

Fiscal Impact:

Premium cost not to exceed \$1,778,449; funds are budgeted in Business Area 5050 / Cost Centers 389620, 389630, and 389640, and reserves are available to address market-driven premium increases.

Dept/Office:

Office of Human Resources / Risk Management

Requested Action:

We request the Board approve placement of the County's Auto, General, Professional, Aircraft & Aviation Liability, and Workers' Compensation insurance coverage at a cost not to exceed \$1,778,449, and authorize the Risk Manager to bind coverage per below.

Summary Explanation and Background:

We instructed the County's authorized insurance broker, PRIA (Public Risk Insurance Agency), to obtain market quotes for the 2022-23 renewal cycle. The renewal recommendations are:

| | | | | | Premium Summary | |
|------------------------|-----------|------------|---------------|-------------|-----------------|------------|
| Line of Business | Eff Date | Exp. Prem. | Renewal Prem. | Rate Change | Change (\$) | Change (%) |
| Auto Liability | 10/1/2022 | 102,112 | 131,679 | 27% | 29,567 | 29% |
| General Liability | 10/1/2022 | 464,828 | 410,937 | -9% | -53,891 | -12% |
| Professional Liability | 10/1/2022 | 180,154 | 186,751 | 7% | 6,597 | 3% |
| Cyber Liability | 10/1/2022 | 35,133 | 47,466 | 35% | 12,333 | 35% |
| Crime | 10/1/2022 | 2,400 | 2,645 | 10% | 245 | 10% |
| Workers' Compensation | 10/1/2022 | 857,085 | 909,795 | 8% | 52,710 | 6% |
| Aviation | 10/1/2022 | 75,918 | 89,176 | 17% | 13,258 | 17% |
| TOTAL | | 1,717,630 | 1,778,449 | | 60,819 | 3.5% |

The incumbent, Preferred Governmental Insurance Trust (PGIT), continues to offer coverage and rate combinations that make alternatives non-competitive. Using the Trust's unique options, we are able to tailor coverage, retentions and limits, resulting in a robust insurance program with coverage combinations that cannot otherwise be procured in the current marketplace. The PGIT program provides insurance and claims administration services for those coverages.

Cost of the expiring program is \$1,717,630. The projected renewal premium for FY2022-23 is 1,778,449, a net increase of 3.5 % (\$60,819). The premium change is driven largely by external market factors, as well as influenced by internal factors such as changes in payroll, employee count and vehicle count, and recent adverse claims experience.

Detail regarding lines of coverage is provided in the attached exhibits. Recent Florida legislation has impacted public entity risk management programs relative to cyber liability, establishing public records exemptions for types of coverage, coverage limits, and deductibles or self-insured retentions. The exhibit for cyber liability has been redacted accordingly.

After evaluating current commercial market conditions, our loss experience, and the commitment made by PGIT to its members, Risk Management recommends we continue to pursue a long-term relationship with the PGIT program, and requests the Board authorize the Risk Manager to execute Insurance Binders, Trust Agreements and contracts as necessary to renew insurance coverages as outlined above.

Clerk to the Board Instructions: