



MEMORANDUM

Date: August 16, 2016

To: Joseph F. Lo Bello, CPA, Town Manager

From: Matthew Pazanski, Finance Director 

Re: Florida League of Cities - Insurance Renewals

BACKGROUND

The Town currently has several insurance policy coverages through the Florida Municipal Insurance Trust (FMIT) and the Florida League of Cities, Inc. Included in those coverages are general liability, automobile, property, workers compensation, liquor liability, storage tank liability, statutory coverage for Police Officers and vision coverage for employees and dependents.

DISCUSSION

Insurance policy renewal quotes are attached for your review. The FMIT has consistently provided the Town excellent value for insurance coverage over the many years of continued service. In fact, the FMIT has covered claims and provided defense when the policy did not specifically call for coverage on the incident and could have denied coverage.

Staff is confident in their level of service and their ability to continue to deliver coverage, products and service into the coming year. The coverage premium changes and policies are summarized below:

General Liability, Automobile, Property and Workers Compensation - These policies include all major lines of coverage for the Town. This year's total proposed renewal quote is 0.57% more than last year's premium. As you can see in the list below the premium costs are varied in their renewal quotes. Please keep in mind that the FMIT plans to continue a "return of premium" for all renewal participants. These refunds are a return of premium of the 2014-2015 property insurance premium. The FMIT is the oldest and largest municipal insurance pool in Florida and is the protection of choice for 2 out of 3 municipalities. Florida Municipal Insurance Trust members are owners of the trust. Because the FMIT is administered by a not-for-profit municipal organization and is directed by its members, it offers benefits like the refund.

	<u>Proposed Renewal</u>	<u>Prior Year Premium</u>
General Liability	\$82,894	\$69,370
Workers Compensation	\$43,887	\$51,255
Property	\$31,233	\$36,652
Auto Liability	\$10,064	\$10,251
Auto Physical Damage	\$3,846	\$4,455
Total	\$174,931	\$171,983
Return of Premium	\$4,809(projected)	\$5,819
Net Premium	\$167,116	\$166,164



Vision-The FMIT will continue to partner with United Healthcare to provide vision coverage. The proposed coverage provides for the same maximum limits, deductibles and co-payment percentages as the current plan.

- The vision renewal quote reflects no change for individual coverage (and is actually the same rate since 2012); the employee only premium cost is proposed at \$5.73 a month. As you will recall, the Town pays 100% of employee vision premium costs and 0% of dependent costs, so the employee covers the total cost of dependent coverage. The Town's total annual cost for employee coverage is projected to be approximately \$2,066. This proposed expenditure is included in the tentative budget. Staff will obtain other quotes for this coverage when we solicit for health and dental insurance in November and December for a January 1 effective date.

Liquor Liability-This policy provides coverage during our paid events that include alcoholic beverages, the Oktoberfest, 50th Anniversary Dinner and Town Picnic. Renewal rate is projected to be \$875, last year's premium was \$875.

Statutory coverage for Police Officers-Basic coverage is required by state statute for in-line of duty events and other specific coverages for Police Officers. This policy includes increased coverage for the officers and provides coverage to all other employees at a nominal cost. Renewal rate is not available at this time however the projected cost is \$812, last year's premium was \$812.

Storage Tank (UST) Liability-The policy covers the fuel storage tanks located at the maintenance facility and provides coverage for incidents involving a release of fuel, pollution conditions, clean-up, bodily injury, property damage, corrective actions, and etc. Renewal rates are projected at \$666, prior year premium was \$605.

Flood Insurance-This is our National Flood Insurance Policy (NFIP) to cover the first \$100,000, additional claims would be covered under the property section of the FMIT policy up to \$4.5 million. Renewal rates are quoted at \$1,334, prior year premium was \$1,285.

RECOMMENDATION

Staff recommends the Town Council consider approving the insurance renewal quotes, at an approximate cost of \$172,869, for 2016-2017 from the Florida Municipal Insurance Trust and Florida League of Cities, Inc. and forgo the formal bidding process as it is deemed not practical or advantageous to the Town.

Attachments



Department of Insurance and Financial Services

FLORIDA MUNICIPAL INSURANCE TRUST

RENEWAL QUOTE FOR 2016-2017

Town of Juno Beach

FMIT 0293

<u>Coverage</u>	<u>Deductible</u>	<u>Limit</u>	<u>Premium</u>
General/Professional Liability	\$0	\$1,500,000	\$82,894
Automobile Liability	\$0	\$5,000,000	\$10,064
Automobile Physical Damage	Per Schedule		\$3,846
Property	\$1,000	\$3,264,321	\$31,233
Workers' Compensation	\$0	Total Payroll	
Experience Modification	0.82 10/1/16	\$2,298,000	\$43,887
GRAND TOTAL PREMIUM			\$171,925
RETURN OF PREMIUM			<u>\$4,809</u>
REDUCED GRAND TOTAL PREMIUM			\$167,116

The FMIT Board of Trustees has approved a \$4,500,000 return of premium for members that had property coverage in the 2014-2015 Fund Year. The directive of the Board was to return property premium on the renewing members for 2016-2017 that participated in the Trust's property program in 2014-2015. Based on the property premiums paid in 2014-2015 the Town of Juno Beach can expect \$4,809 in return premium should they elect to renew coverage for the 2016-2017 policy year.

*Includes: Drug Free Credit: Yes
Safety Credit: Yes

Note: Coverage summaries provided herein are intended as an outline of coverage only and are necessarily brief. In the event of loss, all terms, conditions, and exclusions of actual Agreement and/or Policies will apply.



The following Coverage Agreement outlines, in detail, the coverages and premiums agreed upon by the Florida Municipal Insurance Trust and Town of Juno Beach.
The effective date of this agreement is 10/01/2016-09/30/2017.

Coverage / Plans

UnitedHealthcare Vision Coverage

Premiums

UnitedHealthcare Vision	
Employee	\$5.73
Employee + Family	\$14.44

Other Specified Items

Disclosure (new FMIT groups only)
Dependent SSN for enrollment

Signatures

Representative, Florida Municipal Insurance Trust Date

Representative, Town of Juno Beach Date

Note: Termination of coverage requires a 45 day written notice.

**INVOICE
SPECIAL COVERAGES**

6/10/2016 FMIT# 0293

Ms. Andrea Dobbins
Project Coordinator
Town of Juno Beach
340 Ocean Drive
Juno Beach, FL 33408

MAKE CHECKS PAYABLE TO:

FLORIDA MUNICIPAL INSURANCE TRUST
POST OFFICE BOX 1757
TALLAHASSEE FL 32302-1757

**PLEASE RETURN ONE COPY OF THIS INVOICE WITH YOUR CHECK BY 6/25/2016.
IF FULL PREMIUM PAYMENT IS NOT RECEIVED BY 6/25/2016, THE POLICY IS SUBJECT TO CANCELLATION
FOR NON-PAYMENT OF PREMIUM BY THE INSURER.**

DESCRIPTION	POLICY NUMBER	EFFECTIVE DATE	EXPIRATION DATE
B-2 GENERAL LIABILITY LIQUOR LIABILITY \$1,000,000/\$2,000,000 LIMIT OF LIABILITY 10/28/2016 Oktoberfest; 2/3/2017 Anniversary; 6/2/2017 Annual Picnic	CL2697788	10/28/2016	6/4/2017
<u>PREMIUMS</u>			
BASE PREMIUM:			\$840.00
ADDITIONAL INSURED(S): TERRORISM: INSPECTION FEE: POLICY FEE: FEES:			35.00
<u>TOTAL POLICY PREMIUM:</u>			\$ <u>875.00</u>

Ancillary insurance coverage includes any insurance coverage not currently available directly from the Florida Municipal Insurance Trust. When the Florida League of Cities, Inc. acts as intermediary or agency in facilitating ancillary insurance coverage for a member with a third party insurer, the Florida League of Cities, Inc. shall not be liable to the member if the third party insurer becomes insolvent at any time after coverage has commenced. The Florida League of Cities, Inc. shall use reasonable skill and judgment in securing any such ancillary insurance coverage. However, it is not a guarantor of the financial condition of any third party insurer and is entitled to reasonably rely upon generally accepted financial, actuarial and/or insurance industry data when facilitating ancillary insurance coverage.

STATUTORY ACCIDENTAL DEATH & DISMEMBERMENT

TOWN OF JUNO BEACH

October 1, 2015 to October 1, 2016

INSURER: National Union Fire Insurance Company of Pittsburgh PA

POLICY NUMBER: SRG 9043155-B

LIMIT OF LIABILITY: \$70,700 Principal Sum - In Line of Duty
\$70,700 Principal Sum - Fresh Pursuit
\$199,980 Principal Sum - Unlawful and Intentional Death

THE FOLLOWING COVERAGES ARE INCLUDED:

1. Accidental Death & Dismemberment.
2. Tuberculosis, heart disease or hypertension, hepatitis, meningococcal meningitis.
3. Weekly Accident Indemnity - \$100.00/week, maximum 52 weeks. Coordinates with workers' compensation. Intentional act only.
4. Day Care Benefit - \$2,000/yr, max 2 years. Currently enrolled in day care.
5. Education Benefit - \$2,000/yr, max 2 years. Currently enrolled in an institution of higher learning.
6. Medical Insurance Continuation/Catastrophic Injury 440.02 (34) F.S. - Maximum \$5,000.00 per year. Maximum years - 5.
7. Burial Benefit - \$1,000. Intentional death only.

PERSONS COVERED:

Police	<u>16</u>	Full Time
	<u>2</u>	Administrative
Other Employees (\$70,700 IN LINE OF DUTY ONLY)	<u>16</u>	

TOTAL PREMIUM: **\$812.00**

OPTIONAL COVERAGE (replaces #3 above)

Up to \$300 per week, maximum 100% of salary (when combined with workers' compensation) with a 7 day elimination period. After 20 consecutive days, retroactive to 1st day-maximum 260 weeks. Coverage is only for **full-time** Police and Firefighters who are intentionally or maliciously injured on the job.

**INVOICE
SPECIAL COVERAGES**

5/4/2016 FMIT# 0293

Ms. Andrea Dobbins
Project Coordinator
Town of Juno Beach
340 Ocean Drive
Juno Beach, FL 33408

MAKE CHECKS PAYABLE TO:

FLORIDA MUNICIPAL INSURANCE TRUST
POST OFFICE BOX 1757
TALLAHASSEE FL 32302-1757

PLEASE RETURN ONE COPY OF THIS INVOICE WITH YOUR CHECK BY 5/19/2016.
IF FULL PREMIUM PAYMENT IS NOT RECEIVED BY 5/19/2016, THE POLICY IS SUBJECT TO CANCELLATION
FOR NON-PAYMENT OF PREMIUM BY THE INSURER.

DESCRIPTION	POLICY NUMBER	EFFECTIVE DATE	EXPIRATION DATE
B-2 GENERAL LIABILITY STORAGE TANK LIABILITY	007510817	7/5/2016	7/5/2017

PREMIUMS

BASE PREMIUM:	\$666.00
ADDITIONAL INSURED(S):	
TERRORISM:	
INSPECTION FEE:	
POLICY FEE:	
FEES:	

TOTAL POLICY PREMIUM: \$ 666.00

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MacNeill Group
 P.O. Box 33003
 St. Petersburg, FL 33733-8003
 Customer Service: 1-800-432-3072 X 2011
 Claims: 1-800-725-9472

WFL 99.023 0616
 7063420
 7/09/16

2000 11523 FLD PREF

Policy Number
 09 1151122766 02

Expiration Date
 9/03/16

Date of Notice
 7/09/16

Insured
 THE TOWN OF JUNO BEACH
 340 OCEAN DR
 JUNO BEACH FL 33408-2021

FLORIDA LEAGUE OF CITIES INC
 PO BOX 530065
 ORLANDO FL 32853-0065

Renewal Notice

Payor: Insured

Rated Zone: B
 Current Zone:

Property Address:
 340 OCEAN DR,
 JUNO BEACH, FL 33408-2021

CRS Discount: 0%
 HFIAA Surcharge: \$250*

Please make your renewal payment on or before the expiration date shown above. Premium payments can be made online through the website: <http://www.myfloodpayment.com> or, if paying by check or credit card, see the instructions on the remittance coupon below.

Payment received more than 90 days after expiration may result in a loss of eligibility for Pre-FIRM subsidized rates, grandfathering, and/or Newly Mapped.

If the coverage amount(s) shown under Option A or the payor listed above is incorrect, please contact your agent.

Coverage Options	Coverages		Deductibles		Premium
	Building	Contents	Building	Contents	
A: CURRENT COVERAGE	\$100,000	\$100,000	\$1,000	\$1,000	\$1,334.00
B: INCREASED COVERAGE	\$150,000	\$150,000	\$1,250	\$1,250	\$1,657.00

*See reverse for an explanation of the HFIAA surcharge as well as other important billing information.

Please RETURN BOTTOM PORTION along with your payment to the mailing address below.



Renewal Date: 9/03/16

Please WRITE POLICY NUMBER ON CHECK
 and make payable to: **Wright National Flood Insurance Company**

Option A \$1,334.00
 Option B \$1,657.00

Insured: THE TOWN OF JUNO BEACH
 To be paid by: Insured

PO. Box 33070
 St. Petersburg, FL 33733-8070



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Agent

