



City of Tarpon Springs, Florida

HUMAN RESOURCES DEPARTMENT
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TARPON SPRINGS, FLORIDA 34689
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MEMORANDUM

SEPTEMBER 27, 2022

TO: HONORABLE MAYOR AND BOARD OF COMMISSIONERS

FROM: JANE KNIFFEN, HUMAN RESOURCES DIRECTOR *JK*

THROUGH: MARK G. LECOURIS, CITY MANAGER

SUBJECT: PROPERTY & CASUALTY, WORKERS' COMPENSATION INSURANCES

RECOMMENDATION:

That the Board of Commissioners approve renewal of the City's Property & Casualty and Workers' Compensation insurances with the Florida Municipal Insurance Trust (FMIT) administered by the Florida League of Cities (FLC), for a one-year period commencing October 1, 2022.

BACKGROUND:

The City has engaged the services of the Gehring Group Risk Management division to conduct a Request for Proposals (RFP) for the Property & Casualty and Workers' Compensation insurance program.

Two entities submitted viable proposals – Florida Municipal Insurance Trust (FMIT) and Preferred Governmental Insurance Trust (PGIT). FMIT's proposal is ~\$20,000 over the PGIT proposal; however, based on the current annual cost of over \$1.374 million, the FMIT proposal results in a *decrease* of \$181,708 or 13.2%.

FMIT/FLC provides value-added services such as loss control measures, safety training/education, and several ancillary coverages. The administrative time/cost to change carriers could offset a good deal of the PGIT proposed savings; the disruption involved in transitioning all property, casualty liability, and Workers' Compensation insurances, as well as developing new relationships, is of considerable significance.

The attached chart summarizes current coverages/premiums as well as FY 23 coverages/premiums.

City of Tarpon Springs
Property & Casualty Insurance Program
2022-2023 Renewal Evaluation



Coverage Type	Current				Negotiated Renewal			
	Carrier	Deductible	Coverage Limits	Premium	Carrier	Deductible	Coverage Limits	Premium
Property	FMIT	AOP - \$1,000 NS - 5%	\$82,113,122 TIV	\$ 409,897	FMIT	AOP - \$1,000 NS - 5%	\$87,316,094 TIV	\$ 309,511
Equipment Breakdown	FMIT	\$ 1,000	\$ 50,000,000	Included in Property Premium	FMIT	\$ 1,000	\$ 50,000,000	Included in Property Premium
Flood Excess	FMIT	\$1,000 / \$500,000 (A&V)	\$ 5,000,000	Included in Property Premium	FMIT	\$1,000 / \$500,000 (A&V)	\$ 5,000,000	Included in Property Premium
Inland Marine	FMIT	\$500 up to greater of \$2,000 or 2%	\$ 4,359,278	Included in Property	FMIT	\$500 up to greater of \$2,000 or 2%	\$ 5,430,034	Included in Property
Scheduled		Various	\$ 3,859,278			Various	\$ 4,430,034	
Unscheduled		\$ 500	\$ 500,000			\$ 500	\$ 1,000,000	
Deadly Weapons/ Active Assailant	FMIT	\$ -	\$ 1,000,000	Included in Property	FMIT	\$ -	\$ 1,000,000	Included in Property
Sub Total - Property				\$ 409,897				\$ 309,511
General Liability	FMIT		\$ 1,000,000	\$ 314,809	FMIT	\$ 25,000	\$ 1,000,000	\$ 95,667
		Payroll Basis:	\$ 15,630,558			Payroll Basis:	\$ 21,324,026	
Public Official Liability & Employment Practices	FMIT	\$ -	\$ 1,000,000	Included in GL	FMIT	\$ -	\$ 1,000,000	\$ 173,181
		Emp. Count:				Emp. Count:	#FT - 510; #PT - 15	
Law Enforcement Liability	FMIT	\$ 25,000	\$ 1,000,000	Included in GL	FMIT	\$ 25,000	\$ 1,000,000	\$ 56,659
Cyber Liability	FMIT	\$ 25,000	\$ 1,000,000		FMIT	\$ 25,000	\$ 1,000,000	\$ 1,500
Auto Liability	FMIT	\$ 25,000	\$ 1,000,000	\$ 117,593	FMIT	\$ 25,000	\$ 1,000,000	\$ 80,072
Auto Physical Damage	FMIT	\$ 1,000	195 Units	Included in AL	FMIT	\$ 1,000	223 Units	\$ 40,190
Sub Total - Liability				\$ 432,402				\$ 447,269
Workers' Comp	FMIT	\$ -	Statutory	\$ 531,881	FMIT	\$ -	Statutory	\$ 435,692
Employers Liability			\$ 1,000,000				\$ 1,000,000	
Payroll Basis			\$ 20,116,337				\$ 21,324,026	
Experience Mod			1.07				1.10	
Sub Total - Workers' Comp				\$ 531,881				\$ 435,692
Total Annual Premium				\$ 1,374,180				\$ 1,192,472
\$ Increase or Decrease				N/A				\$ (181,708)
% Increase or Decrease				N/A				-13.2%