

INSURANCE PROPOSAL

PREPARED FOR:



Sumter County Board of County Commissioners

09 – 10 PGIT Workers Compensation

PRESENTED BY:

Travis Lee Childers, CIC
Brown & Brown of Florida, Inc.

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This presentation is designed to give you an overview of the insurance coverage's we recommend for your company, based upon information provided by you. It is meant only as a general understanding of your insurance needs and should not be construed as a legal interpretation of the insurance policies that will be written for you. Please refer to your specific insurance contracts for details on coverage's, conditions and exclusions. Specimen copies of all policies are available upon request prior to binding of coverage. If there are any other areas that need to be evaluated prior to binding of coverage, please bring this to our attention. Should any of your exposures change after coverage is bound, such as operations, hiring employees in new states, buying additional property etc. please let us know as proper coverage can be discussed.

Introduction

Your business represents a considerable investment of time, effort and money. It warrants the service of a company that can provide a comprehensive analysis of all your insurance needs, offer insurance programs that are competitively priced and extend full protection to meet your specific needs.

You need an Insurance Agency that is large enough to market your account to more than one leading insurance carrier, yet focused on providing professional, personalized service.

Our agency **Brown & Brown of Florida, Inc.** is that caliber of an agency. We provide the kind of quality attention and protection you and your company deserve. Representing more than 15 major carriers, specializing in every type of insurance coverage, we are able, and honored, to assume the responsibility of meeting your insurance needs.

Our recommendations are based on a careful analysis of the risks unique to you and your company. To this end, we have prepared a sound, competitively priced, insurance proposal for your review.

We appreciate the opportunity to evaluate you and your company and provide this proposal to cover your insurance and asset management needs.

Resources

Claims Management

At **Brown & Brown of Florida, Inc.**, we take an active role in the management of your claims. Our Service Team is committed to assuring you receive prompt and fair treatment for any claim involving coverage extended by our agency, to you or your company.

Loss Control/Risk Management

A successful Loss Control/Risk Management Program is based on a successful partnership between **Brown & Brown of Florida, Inc.**, you and your insurance carrier. As a team, all parties must work together to protect you, your business, your assets and to prevent future loss.

We will provide you with technical advice, resources, and assistance in developing, improving and monitoring an effective Loss Control/Risk Management program by:

- Reviewing your current Loss Control/Risk Management program;
- Analyzing loss data to identify specific areas which generate the greatest claim frequency;
- Reviewing your current environment and operations, including your physical assets, personnel practices, and organization of management;
- Conducting visits to all locations to develop a risk profile and to define management and insurance carrier responsibilities;
- Developing, improving, and implementing a Loss Control/Risk Management program with a written plan of expectations. (This program will be consistent with your management style and easily implemented);
- Establishing a meeting schedule to review and discuss safety and loss analysis reports with management and/or staff as required by your insurance carrier.

Employee Benefits

Brown & Brown of Florida, Inc. offers a full range of Employee Benefits that may be tailored to fit the needs of your company. With access to virtually all the major benefit companies in the US, we have the resources, knowledge and experience to help customize your benefits program to include any or all the following:

Medical – Health Care
Dental Coverage
Life Insurance
Long and Short-Term Disability
Group Retirement Plans
Pension and/or Profit Sharing

Brown & Brown of Florida, Inc. also has the experience to advise and administer both fully insured or partially self-insured plans.



Renewal Quote No.: WC FL1 0601060 09-11

Effective: 10/01/2009

Renewal Quote Expiration Date: 10/01/2009 12:00 AM

Reference Number: 25320

Portal Reference Number:203167

RENEWAL QUOTE FOR
Sumter County Board of County Commissioners

910 North Main Street
Bushnell, FL 33513

Presented by Public Risk Underwriters for:

Brown & Brown of Florida, Inc.

P. O. Box 491636
Leesburg, FL 34749-1636

8/20/2009 11:50
AM



Named Covered Party: **Sumter County Board of County Commissioners**

Term: **10/01/2009 to 10/01/2010**

Coverage Provided By: **Preferred Governmental Insurance Trust**

Renewal Quote No.: **WC FL1 0601060 09-11**

To protect members of the fund from large losses and to protect the financial security of the fund, the Preferred Governmental Insurance Trust (PGIT) board of trustees has elected to purchase an extremely conservative excess of loss insurance structure. We stress PGIT excess of loss structure because an excess structure provides PGIT members several levels of protection that reinsurance does not.

Foremost among these is the fact that PGIT's excess of loss policies list every individual member a named insured, giving every member direct access to the insurance company for payment of claims. Reinsurers are only responsible to the trust itself. Therefore, if a trust became financially troubled, there is no guarantee from an insurance company that any individual claim will be paid or even that a reimbursement will go towards the originating claim.

PGIT is a non-assessable Trust authorized under Florida Statute and is not rated by AM Best. PGIT is not protected by the Florida Guarantee Association in the event it becomes unable to meet its claims payment obligations. PGIT members are not constrained by notice requirements or punitive run-off claims costs to exit. PGIT is a non-admitted pool in the state of Florida.



Insurance Solutions for Public Entities

Public Risk Underwriters (PRU), as part of Brown & Brown, is one of the premier insurance service organizations for public entities in the United States. Our exclusive focus and in-depth understanding of the unique risk exposures and operating environment of the public sector allows us to tailor customized products and services to meet our clients' needs.



Preferred Governmental Claims Services (PGCS) is dedicated to exclusively serving Florida governmental agencies. PGCS administers and closely controls all claims from start to finish. This team of full-time, licensed adjusters understands federal laws and state statutes governing actions against public entities. A toll-free telephone number is provided to facilitate reporting of claims.

Compensation Disclosure

We appreciate the opportunity to assist with your insurance needs. Information concerning compensation paid to other entities for this placement and related services appears below. Please do not hesitate to contact us if any additional information is required.

Our office is owned by Brown & Brown, Inc. Brown & Brown entities operate independently and are not required to utilize other companies owned by Brown & Brown, Inc., but routinely do so.

For the Coverage Term referenced above, your insurance was placed through PGIT. PGIT is an independent entity formed by Florida public entities through an Interlocal Agreement for the purpose of providing its members with an array of insurance coverages and services. PGIT has contracted with entities owned by Brown & Brown, Inc. to perform various services. As explained below, those Brown & Brown entities are compensated for their services.

PGIT has contracted with PRU, a company owned by Brown & Brown, Inc., to administer PGIT's operations. The administrative services provided by PRU to PGIT include:

Underwriting / Coverage review / Marketing / Policy Review / Accounting / Issuance of PGIT Coverage Agreements / PGIT Member Liaison / Risk Assessment and Control

Pursuant to its contract with PGIT, PRU receives an administration fee, based on the size and complexity of the account, of up to 12.0% of the PGIT premiums billed and collected.

PGIT has also contracted with PGCS, a company owned by Brown & Brown, Inc., for purposes of administering the claims of PGIT members. The services provided by PGCS to PGIT may include:

Claims Liaison with Insurance Company / Claims Liaison with PGIT Members / Claims Adjustment

Pursuant to its contract with PGIT, PGCS receives a claims administration fee for those accounts which PGCS services of up to 5% of the non-property portion of the premiums you pay to PGIT.

PGIT also utilizes wholesale insurance brokers, some of which (such as Peachtree Special Risk Brokers and MacDuff Underwriters) are owned by Brown & Brown, Inc., for the placement of PGIT's insurance policies, and for individual risk placements for some PGIT members (excess and surplus lines, professional liability coverage, etc.) The wholesale insurance broker may provide the following services:

- Risk Placement
- Coverage review
- Claims Liaison with Insurance Company
- Policy Review
- Current Market Intelligence

The wholesale insurance broker's compensation is derived from your premium, and is largely dictated by the insurance company. It typically ranges between 10% and 17% of the premiums you pay to PGIT for your coverage. Some wholesale brokers used by Brown to place your coverage may also act as Managing General Agents for various insurance companies, and may be compensated directly by those insurance companies for their services in placing and maintaining coverage with those particular companies.

The wholesale insurance brokerage utilized in the placement of your property insurance was Peachtree Special Risk Brokers, which is a company owned by Brown & Brown Inc. Furthermore, any professional liability coverage afforded by the package of insurance you purchased was acquired through Apex Insurance Services, which is also a company owned by Brown & Brown Inc.



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ESTIMATED ANNUAL PAYROLL

Class Code	Description	Payroll
0251	IRRIGATION WORKS & DRIVERS	0
5403	CARPENTRY NOC	0
5506	STREET OR ROAD CONST-PAVING	408,147
5509	STREET OR ROAD MAINTENANCE	940,377
7380	DRIVERS NOC	97,240
7382	BUS CO - EMPLOYEES & DRIVERS	558,631
7590	GARBAGE WORKS	307,133
7704	FIREFIGHTERS & DRIVERS	735,841
7720	POLICE OFFICERS & DRIVERS	115,073
8380	AUTOMOBILE SERVICE REPAIR	161,260
8742	SALESPERSONS/COLLECTORS/MSGRS	322,041
8810	CLERICAL	7,060,204
8831	HOSPITAL -VETERINARY & DRIVERS	137,141
8835	NURSING HOME	0
9015	BULDINGS - OWNER OR LESSEE	330,624
9033	HOUSING AUTHORITY & CLERICAL	135,996
9102	PARK NOC -EMPLOYEES & DRIVERS	229,415
9402	STREET CLEANING & DRIVERS	93,336
9410	MUNICIPAL NOC	677,574
		\$12,310,033



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EMPLOYERS' LIABILITY COVERAGE

Bodily Injury by Accident	Each Accident	\$1,000,000
Bodily Injury by Disease	Agreement Limit	\$1,000,000
Bodily Injury by Disease	Each Employee	\$1,000,000

ESTIMATED BILLING

Manual Premium		\$307,478
Experience Modifier	0.990	
Estimated Annual Premium		\$200,325
Minimum Annual Premium	\$2,000, Monoline \$4,000	
Drug-Free Credit		Included
Safety Credit		Included

Experience Modifiers:

0.990 10/01/2009

Pay Term: WC - 25% Down & 9 Equal Installments

First payment of \$50,231.25 is due 10/01/2009.

9 Monthly Installments of \$16,677.08 are due beginning 11/01/2009.

Make Checks Payable to Preferred Governmental Insurance Trust



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TOTAL PREMIUM DUE

\$200,325.00

RENEWAL QUOTATION TERMS & CONDITIONS INCLUDING BUT NOT LIMITED TO

- 1.All coverages requested may not be offered in this quote.
- 2.Quote subject to review and acceptance by PGIT Board of Trustees
- 3.The Coverage Agreement premium shall be pro-rated as of the first day of coverage from the minimum policy premium.
- 4.Down payment is due at inception
- 5.The Trust requires that the Member maintains valid and current certificates of workers' compensation insurance on all work performed by persons other than its employees.
- 6.If NCCI repromulgates a mod, we will honor the mod as promulgated. If the mod changes during the fund year, we reserve the right to apply a correct mod back to the inception date of the Coverage Agreement.
- 7.Quote was prepared using payrolls supplied by your agency.
- 8.Safety and Drug Free program credits (if applicable) are subject to program requirements.
- 9.Payrolls are subject to final audit.
- 10.Request to Bind must be received in writing via email prior to the effective date of coverage. If request is not received prior to that date there is no coverage and the file is closed.
- 11.Deletion of any coverage presented, Package and/or Workers' Compensation, will result in repricing of account.
- 12.Coverage is not bound until confirmation is received from a licensed representative of Public Risk Underwriters.

ADDITIONAL TERMS & CONDITIONS INCLUDING BUT NOT LIMITED TO

Quote is subject to receipt of the following information within 30 days of binding:

- Signed PGIT WC Application
- Signed Drug Free and Safety Program Applications

This is a revised quote to remove the payroll for the Sheriff Department
It will be quoted separately

7/13 This revised quote is to add 7380

8/20 revised to lower premium

PREMIUM SUMMARY

Named Insured: Sumter County Board of County Commissioners

Dates: 10/01/2009 to 10/01/2010

DESCRIPTION OF COVERAGE	PREMIUM
Workers Compensation	\$200,325.00
Total Estimated Premium	\$200,325.00

Preferred Governmental Insurance Trust is not rated by A M Best, and they are not protected by the Florida Guarantee Association in the event it becomes unable to meet its claims payment obligations.

Statements to be added for non-admitted carriers:

Public Risk Underwriters an intermediary is owned in whole or part by Brown & Brown, Inc., the parent company of Brown & Brown of Florida, Inc.. Brown & Brown entities operate independently and are not required to utilize other companies owned by Brown & Brown, Inc. but routinely do so. In addition to providing access to the insurance company, the Wholesale Insurance Broker/ Managing General Agent may provide additional services including, but not limited to: underwriting; loss control; risk placement; coverage review; claims coordination with insurance company; and policy issuance.

The compensation received by the Wholesale Insurance Broker/Managing General Agent for the services above is based upon commission The commission for the services above is typically in the range of 10% to 17% of policy premium.

25% Minimum earned

SUMMARY OF PROPOSED PREMIUMS AND RELATED INFORMATION

Premiums as Proposed: 25% Down & 9 Equal Installments

Payment Plan: Direct Bill

This proposal is based upon the exposures to loss made known to the Agency. Any changes in these exposures (i.e., new operations, new products, additional states of hire, etc.) need to be promptly reported to us in order that proper coverage(s) may be put into place.

Any "subject to" or "warranty" should also be mentioned here. These might be detailed loss information, signed applications, inspections, etc. Specific time schedules should be established for compliance with this needed data.

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For the 2008 policy year your insurance was placed with Preferred Governmental Insurance Trust (PGIT). PGIT is an insurance trust formed by Florida public entities through an Interlocal Agreement for the purpose of providing its members with an array of insurance coverages and services. PGIT has contracted with entities owned by Brown & Brown, Inc. to perform various services. As explained below, those Brown & Brown entities are compensated for their services.

PGIT has contracted with Public Risk Underwriters (PRU), a company owned by Brown & Brown, Inc. to administer PGIT's operations. The administrative services provided by PRU to PGIT include:

- Underwriting
- Coverage Review
- Marketing
- Policy Review
- Accounting
- Issuance of PGIT Coverage Agreements
- PGIT Member Liaison
- Risk Assessment and Control

Pursuant to its contract with PGIT, PRU receives an administration fee, based on the size and complexity of the account, of up to 12.5% of the premium you pay to PGIT. PRU may also receive commissions from insurance companies with whom it places your coverage, which commissions are derived from the premium you pay to PGIT. Multiple underwriters may be involved in the placement of your coverage. If so, they also may be compensated for their services from the premium you pay to PGIT.

PGIT has also contracted with Preferred Governmental Claims Solutions (PGCS), a company owned by Brown & Brown, Inc., for purposes of administering the claims of PGIT members. The services provided by PGCS to PGIT may include:

- Claims Liaison with Insurance Company
- Claims Liaison with PGIT Members
- Claims Adjustment

Pursuant to its contract with PGIT, PGCS receives a claims administration fee for those accounts which PGCS services of up to 5% of the nonproperty portion of the premiums you pay to PGIT.

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The wholesale insurance broker's compensation is derived from your premium, and is largely dictated by the insurance company. It typically ranges between 10% and 17% of the premiums you pay to PGIT for your coverage. Some wholesale brokers used by Brown & Brown to place your coverage may also act as Managing General Agents for various insurance companies, and may be compensated directly by those insurance companies for their services in placing and maintaining coverage with those particular companies.

The wholesale insurance brokerage utilized in the placement of your property insurance was Peachtree Special Risk Brokers, which is a company owned by Brown & Brown, Inc. Furthermore, any professional liability coverage afforded by the package of insurance you purchased was acquired through Brown & Brown Public Entity Services (BBPES), which is also a company affiliated with Brown & Brown, Inc.

