

RISK MANAGEMENT DEPARTMENT
Fort Bend County, Texas

AGENDA ITEM #37
Updated on
March 22, 2016 by
Risk Manager

Wyatt O. Scott
Director

Phone: 281-341-8630
Fax: 281-341-3751

March 22, 2016

Commissioners' Court
Fort Bend County
301 Jackson Street
Richmond, TX 77469

Re: Premier Public Entity Package & Lexington Insurance Excess Property Insurance
Renewals for Policy Year 4/1/2016-4/1/2017

Dear Honorable Court Members:

Attached you will find a renewal summary for the Brit Global, USA Premier Public Entity "Package" (Brit Insurance), for the Lexington Insurance Company Excess Property program, the Midwest Employers Casualty Company Excess Workers Compensation policy and for the Admiral Insurance Company Medical Professional Liability insurance. The Premier Package provides Fort Bend County its' first layers of coverage after meeting self-insured retentions for its' property and casualty exposures. The Property Excess provides \$250MM (\$50MM sub-limit for windstorm) coverage limits in excess of the Package limits of \$1MM. The Midwest policy is excess Workers Compensation coverage above the Brit Insurance primary layer of \$250,000. The Medical Professional policy provides coverage for services offered by Health and Human Services.

Please note that exposures and the other basis for premium rating have increased; such as payroll (6.6%), total insured property value (TIV) from \$567MM to \$589MM and other rating exposures as indicated on the attached summary. Although the County increased its' TIV by 3.8%, the quote is for a decrease of 4.8% from \$862,816.50 to \$821,100.00 due to Lexington giving the County a 9.1 percent rate reduction, reducing the rate from \$0.1522 per \$100 of property value to \$0.1384.

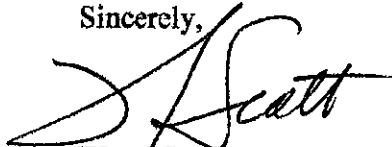
The Brit Insurance program is offering the County a premium reduction of 1.8% even though the County's exposures have materially increased as indicated in the attached summary, the premium will drop from \$752,978 to \$739,568.

The proposed Midwest workers' compensation excess rate is an increase from .1221 to .1253 (2.6% difference) per \$1000 of payroll. The increase is due to the rising cost of medical care.

The premium of the Medical Professional Liability increased 39.3% or by \$4,429 annual due to the number of physicians that we have added to the policy this year. These Drs. perform oversight work on behalf of EMS services and the HHS Health Clinic.

Expiring premium is \$1,886,691.28 and the proposed renewal premium is \$1,849,124.50. Given the County's' growth and increased exposures in property, personnel and physician oversight, this is a good renewal proposal which is recommended by Risk Management. If you should have any questions, please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read "Wyatt Scott". The signature is stylized with a large, sweeping initial "W" and "S".

Wyatt Scott

Director of Risk Management

Fort Bend County
Property & Casualty Insurance Renewal
April 1, 2016/2017

Coverage/Exposure Summary	Expiring 4/1/2015-2016	Renewal 4/1/2016-2017	% Change	\$ Change
Brit Package Premium:	\$ 752,977.89	\$ 739,567.50	1.8%	\$ (13,410.39)
Premier Public Entity Package	Incl.	Incl.		
Excess Public Officer's Liability	Incl.	Incl.		
Excess Liability	Incl.	Incl.		
Basis: Law Enforcement Personnel	1,050	1,307	24.5%	
Basis: County Vehicles	900	999	11.0%	
Basis: APD Values	\$ 29,467,499	\$ 34,634,228	17.5%	
Basis: # of Employees*	2,500	3,622	44.9%	
Basis: Payroll	\$ 114,364,538.00	\$ 121,923,629.00	6.6%	
Excess Workers Compensation				
Basis: Payroll	\$ 139,639.00	\$ 152,770.00	9.4%	\$ 13,131.00
Rate:	\$ 114,364,538.00	\$ 121,923,629.00	6.6%	
	\$ 0.1221	\$ 0.1253	2.6%	
Medical Professional Premium				
Basis: Patient Visits	\$ 11,257.89	\$ 15,687.00	39.3%	\$ 4,429.11
	7,200	8,000	11.1%	
Excess Property Premium				
Boiler & Machinery Premium	\$ 862,816.50	\$ 821,100.00	4.8%	\$ (41,716.50)
Basis: Insurable Values	Incl.	Incl.		
Rate:	\$ 566,847,432.00	\$ 588,642,204.00	3.8%	
	\$ 0.1522	\$ 0.1395	-8.4%	
Premium Sub-Total	\$ 1,766,691.28	\$ 1,729,124.50	2.1%	
Broker Fee	\$ 120,000.00	\$ 120,000.00		
Total Program Cost	\$ 1,886,691.28	\$ 1,849,124.50	-2.0%	\$ (37,566.78)
<i>*2016 includes seasonal employees</i>				

Fort Bend County, Texas

Client Authorization to Bind Coverage

After careful consideration of Gallagher's proposal dated 3/11/2016, we accept the following coverage(s). Please check the desired coverage(s) and note any coverage amendments below:

	LINE OF COVERAGE	CARRIER
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject	Brit Global Package	Lloyd's Syndicate 2987
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject	TRIA Coverage <i>workers Compensation</i>	
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject	Excess Property	Lexington Insurance Company (American International Group, Inc.)
<input type="checkbox"/> Accept <input checked="" type="checkbox"/> Reject	TRIA Coverage	
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject	Excess Workers Compensation	Midwest Employers Casualty Company (W. R. Berkley Group)
TRIA Cannot be rejected	TRIA Coverage	
<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject	Medical Professional Liability	Admiral Insurance Company (W.R. Berkley Group)
<input type="checkbox"/> Accept <input checked="" type="checkbox"/> Reject	TRIA Coverage	
<input type="checkbox"/> Accept <input type="checkbox"/> Reject	Excess Wind – Option 1	Underwriters @Lloyd's The Burlington Insurance Co. Interstate Fire & Casualty Co.
<input type="checkbox"/> Accept <input type="checkbox"/> Reject	TRIA Coverage	
<input type="checkbox"/> Accept <input type="checkbox"/> Reject	Cyber Liability – Option 2	Illinois Union Ins. Co. (Chubb Ltd.)
<input type="checkbox"/> Accept <input type="checkbox"/> Reject	TRIA Coverage	

Producer/ Insured Coverage Amendments and Notes:

WS.
Client Initials

3/12/16

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

**OFFICE USE ONLY
CERTIFICATION OF FILING**

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.

Arthur J. Gallagher Risk Management Services, Inc.
Dallas, TX United States

Certificate Number:
2016-27742

Date Filed:
03/17/2016

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.

Fort Bend County

Date Acknowledged:

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the goods or services to be provided under the contract.

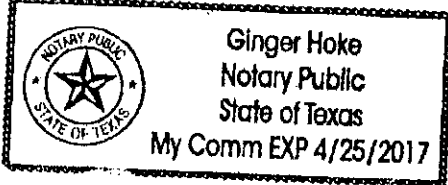
RFP 14-046
Broker of Record Services

4 Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
		Controlling	Intermediary
Arthur J. Gallagher Risk Management Services,	Dallas, TX United States		X

5 Check only if there is NO Interested Party.

6 AFFIDAVIT

I swear, or affirm, under penalty of perjury, that the above disclosure is true and correct.



AFFIX NOTARY STAMP / SEAL ABOVE

[Handwritten Signature]

Signature of authorized agent of contracting business entity

Sworn to and subscribed before me, by the said Daniel M. Tropp, this the 16 day of March, 2016, to certify which, witness my hand and seal of office.

[Handwritten Signature]
Signature of officer administering oath

Ginger Hoke
Printed name of officer administering oath

Notary
Title of officer administering oath

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

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Fort Bend County

Date Acknowledged:
03/23/2016

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RFP 14-046
Broker of Record Services

4 Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
		Controlling	Intermediary
Arthur J. Gallagher Risk Management Services,	Dallas, TX United States		X

5 Check only if there is NO interested Party.

6 AFFIDAVIT I swear, or affirm, under penalty of perjury, that the above disclosure is true and correct.

Signature of authorized agent of contracting business entity

AFFIX NOTARY STAMP / SEAL ABOVE

Sworn to and subscribed before me, by the said _____, this the _____ day of _____, 20_____, to certify which, witness my hand and seal of office.

Signature of officer administering oath Printed name of officer administering oath Title of officer administering oath

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

OFFICE USE ONLY CERTIFICATION OF FILING

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.
Brit Global Specialty USA
Chicago, IL United States

Certificate Number:
2016-28062

Date Filed:
03/18/2016

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.
Fort Bend County

Date Acknowledged:

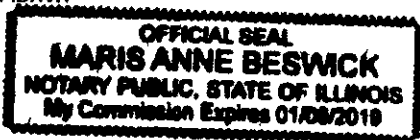
3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the goods or services to be provided under the contract.
RFP - 14-046, Brit Package
Insurance Policy

4 Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
		Controlling	Intermediary
Pousson, Paul	Dallas, TX United States		X
Kelley, Cheryl	Dallas, TX United States		X
Arthur J. Gallagher & Co.	Dallas, TX United States		X
Fairfax Group	Toronto Ontario Canada	X	

5 Check only if there is NO Interested Party.

6 AFFIDAVIT

I swear, or affirm, under penalty of perjury, that the above disclosures are true and correct.



[Handwritten Signature]

Signature of authorized agent of contracting business entity

AFFIX NOTARY STAMP / SEAL ABOVE

Sworn to and subscribed before me, by the said SHEEL SAWHNEY this the 18th day of March 2016, to certify which, witness my hand and seal of office.

[Handwritten Signature]
Signature of officer administering oath

MARIS ANNE BESWICK
Printed name of officer administering oath

NOTARY PUBLIC
Title of officer administering oath

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

OFFICE USE ONLY CERTIFICATION OF FILING

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.

Brit Global Specialty USA
Chicago, IL United States

Certificate Number:
2016-28062

Date Filed:
03/18/2016

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.

Fort Bend County

Date Acknowledged:
03/23/2016

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the goods or services to be provided under the contract.

RFP – 14-046, Brit Package
Insurance Policy

4 Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
		Controlling	Intermediary
Pousson, Paul	Dallas, TX United States		X
Kelley, Cheryl	Dallas, TX United States		X
Arthur J. Gallagher & Co.	Dallas, TX United States		X
Fairfax Group	Toronto Ontario Canada	X	

5 Check only if there is NO Interested Party.

6 AFFIDAVIT

I swear, or affirm, under penalty of perjury, that the above disclosure is true and correct.

Signature of authorized agent of contracting business entity

AFFIX NOTARY STAMP / SEAL ABOVE

Sworn to and subscribed before me, by the said _____, this the _____ day of _____, 20_____, to certify which, witness my hand and seal of office.

Signature of officer administering oath

Printed name of officer administering oath

Title of officer administering oath

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

OFFICE USE ONLY CERTIFICATION OF FILING

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.

Midwest Employers Casualty Company
Chesterfield, MO United States

Certificate Number:
2016-27799

Date Filed:
03/17/2016

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.

Fort Bend County, Texas

Date Acknowledged:

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the goods or services to be provided under the contract.

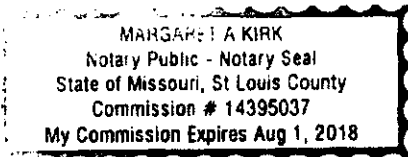
RFP 14-046
Excess Workers' Compensation

4 Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
		Controlling	Intermediary

5 Check only if there is NO Interested Party.

6 AFFIDAVIT

I swear, or affirm, under penalty of perjury, that the above disclosure is true and correct.



AFFIX NOTARY STAMP / SEAL ABOVE

Margaret A. Kirk
Signature of authorized agent of contracting business entity

Sworn to and subscribed before me, by the said Margaret A. Kirk, this the 10th day of March, 2016, to certify which, witness my hand and seal of office.

Margaret A. Kirk Signature of officer administering oath
Margaret A. Kirk Printed name of officer administering oath
Agent ASX Title of officer administering oath

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

**OFFICE USE ONLY
CERTIFICATION OF FILING**

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.
Midwest Employers Casualty Company
Chesterfield, MO United States

Certificate Number:
2016-27799

Date Filed:
03/17/2016

Date Acknowledged:
03/23/2016

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.
Fort Bend County, Texas

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the goods or services to be provided under the contract.
RFP 14-046
Excess Workers' Compensation

4 Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
		Controlling	Intermediary

5 Check only if there is NO Interested Party.

6 AFFIDAVIT I swear, or affirm, under penalty of perjury, that the above disclosure is true and correct.

Signature of authorized agent of contracting business entity

AFFIX NOTARY STAMP / SEAL ABOVE

Sworn to and subscribed before me, by the said _____, this the _____ day of _____, 20_____, to certify which, witness my hand and seal of office.

Signature of officer administering oath Printed name of officer administering oath Title of officer administering oath

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

**OFFICE USE ONLY
CERTIFICATION OF FILING**

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.
Admiral Insurance Company
Mount Laurel, NJ United States

Certificate Number:
2016-28035

Date Filed:
03/18/2016

Date Acknowledged:

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.
FORT BEND COUNTY CLINICAL HEALTH SERVICES

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the goods or services to be provided under the contract.
RFP 14-046
Medical Professional Liability Insurance

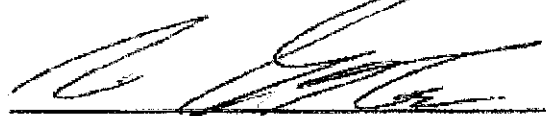
4 Name of Interested Party	City, State, Country (place of business)	Nature of Interest (check applicable)	
		Controlling	Intermediary
Berkley Insurance Company	Wilmington, DE United States	X	

5 Check only if there is NO interested party.

6 AFFIDAVIT

I swear, or affirm, under penalty of perjury, that the above disclosure is true and correct.


KAREN MORGAN PETERS
NOTARY PUBLIC OF NEW JERSEY
Commission Expires 2/5/2017



Signature of authorized agent of contracting business entity

AFFIX NOTARY STAMP / SEAL ABOVE

Sworn to and subscribed before me, by the said Nir Gibay, this the 18 day of March, 2016, to certify which, witness my hand and seal of office.

 Karen Morgan Peters Claims Superintendent
Signature of officer administering oath Printed name of officer administering oath Title of officer administering oath

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

OFFICE USE ONLY CERTIFICATION OF FILING

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.

Admiral Insurance Combandy
Mount Laurel, NJ United States

Certificate Number:
2016-28035

Date Filed:
03/18/2016

Date Acknowledged:
03/23/2016

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FORT BEND COUNTY CLINICAL HEALTH SERVICES

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the goods or services to be provided under the contract.

RFP 14-046
Medical Professional Liability Insurance

4 Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
		Controlling	Intermediary
Berkley Insurance Company	Wilmington, DE United States	X	

5 Check only if there is NO Interested Party.

6 AFFIDAVIT

I swear, or affirm, under penalty of perjury, that the above disclosure is true and correct.

Signature of authorized agent of contracting business entity

AFFIX NOTARY STAMP / SEAL ABOVE

Sworn to and subscribed before me, by the said _____, this the _____ day of _____, 20_____, to certify which, witness my hand and seal of office.

Signature of officer administering oath

Printed name of officer administering oath

Title of officer administering oath

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

**OFFICE USE ONLY
CERTIFICATION OF FILING**

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.
American International Group, Inc.
New York, NY United States

Certificate Number:
2016-28248

Date Filed:
03/18/2016

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.
Fort Bend County

Date Acknowledged:

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the goods or services to be provided under the contract.
RFP 14-046
Excess Property Liability Insurance

4 Name of Interested Party	City, State, Country (place of business)	Nature of Interest (check applicable)	
		Controlling	Intermediary
Arthur J Gallagher Risk Management Services	Dallas, TX United States		X
Lexington Insurance Company	Boston, MA United States	X	

5 Check only if there is NO interested Party.

6 AFFIDAVIT

I swear, or affirm, under penalty of perjury, that the above disclosure is true and correct.



Arthur J. Gallagher

Signature of authorized agent of contracting business entity

AFFIX NOTARY STAMP / SEAL ABOVE

Sworn to and subscribed before me, by the said Authorized Agent, this the 18th day of March, 2016, to certify which, witness my hand and seal of office.

Elizabeth Ann Smith
Signature of officer administering oath

Elizabeth Ann Smith
Printed name of officer administering oath

Notary
Title of officer administering oath

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

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CERTIFICATION OF FILING**

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American International Group, Inc.
New York, NY United States

Certificate Number:
2016-28248

Date Filed:
03/18/2016

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.
Fort Bend County

Date Acknowledged:
03/23/2016

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the goods or services to be provided under the contract.
RFP 14-046
Excess Property Liability Insurance

4 Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
		Controlling	Intermediary
Arthur J Gallagher Risk Management Services	Dallas, TX United States		X
Lexington Insurance Company	Boston, MA United States	X	

5 Check only if there is NO Interested Party.

6 AFFIDAVIT I swear, or affirm, under penalty of perjury, that the above disclosure is true and correct.

Signature of authorized agent of contracting business entity

AFFIX NOTARY STAMP / SEAL ABOVE

Sworn to and subscribed before me, by the said _____, this the _____ day of _____, 20_____, to certify which, witness my hand and seal of office.

Signature of officer administering oath Printed name of officer administering oath Title of officer administering oath