

Warren County
SUPPORT SERVICES COMMITTEE
(INSURANCE)

December 14, 2011 10:30am

Information Submitted By: Amy Clute, Insurance Administrator

- I. Committee meeting called to order by Chairman.
- II. Motion to approve minutes of prior committee meeting.
- III. Action agenda – matters requesting Resolutions of the Board and / or committee approval.
 1. 2012 Property & Casualty Insurance Renewals
 - a. Jack Bieniek, Cool Insurance will present the renewal proposal for the 2012 property and casualty insurance program. Resolution requested approving such. (pages 3 & 4)
 - b. Renee Baker, TD Insurance will present the renewal proposal for the 2012 Excess Workers' Compensation and Specific Employers Liability insurances with an option (page 15) on the Excess Workers' Compensation. Resolution requested approving such. (pages 5 – 20)

RESOLUTION REQUEST FORM NO. 20

MISCELLANEOUS

****Please List All Other Requests Not Covered by Previous Resolution Request Forms Here.
Please attach any backup information available and be as detailed as possible.***

DEPARTMENT NAME: Self-Insurance

DATE: 12/14/11

- (a) Purpose of Request: Renewing Property & Casualty Insurance For 2012

- (b) Details: Insurance Committee has reviewed the County's insurance coverage for 2012 with Cool Insuring Agency Inc and the Committee has recommended renewing the insurance policies as follows: (1) with New York Municipal Insurance Reciprocal - Property, General Liability, Owners and Contractors Protective Liability, Public Officials Liability, Law Enforcement Liability, Automobile Liability, Healthcare General and Professional Liability, and Umbrella Liability; (2) with Travelers Insurance Company - Boiler & Machinery and Crime; (3) with Peerless Insurance Company - Inland Marine; (4) with Old Republic Insurance Company - Airport Liability; (5) with Great American - flood and earthquake coverage; (6) National Flood Insurance Program for flood insurance at a total premium and service fee issued to Cool Insuring Agency for the above in the amount of \$712,964.85.

- (c) Previous Resolution Number: R865 of 2010 & R46 of 2011

- (d) Where are the Funds (if required)? List Budget Code, Object Code, Full Title* and Amount: various departmental budget codes

Sample: A.8021 470 Planning & Community Development – Contract

* as listed in budget and LOGOS

RECEIVED
DEC 13 2011

WARREN COUNTY
SELF-INSURANCE DEPT,
COVERAGE

PREMIUM COSTS

COVERAGE	CARRIER	PREMIUM
Property	NYMIR	\$ 70,467.00
General Liability	NYMIR	\$ 157,589.00
OCP	NYMIR	\$ 250.00
Public Officials Liability	NYMIR	\$ 50,645.00
Law Enforcement Liability	NYMIR	\$ 129,580.00
Healthcare General Liability	NYMIR	\$ 1,635.00
Healthcare Professional Liability	NYMIR	\$ 27,244.00
Automobile	NYMIR	\$ 81,826.00
Umbrella	NYMIR	\$ 54,059.00
NY Fire Fee		\$ 333.85
NY DMV Fee		\$ 1,830.00
SUBTOTAL:		\$ 575,458.85

Coverage	Carrier	Premium
Boiler & Machinery	Travelers	\$ 9,604.00
Inland Marine	Peerless	\$ 42,295.00
Flood NFIP		\$ 6,642.00*
DIC (Flood & Quake)	Great American	\$ 17,891.00
Crime - Warren County	Travelers	\$ 8,478.00
Crime - LDC	Travelers	\$ 221.00
Airport Liability	Old Republic	\$ 12,375.00
TOTAL:		\$ 672,964.85

*Does not include Restroom Bldg. (\$209,000), Pavilion (\$102,000), Pole Barn (\$93,000) @ 254 Schroon River Road. Historical Train Station, Caboose, Ice Cream Stand (\$201,000) @ 460 Riverside Station Road, Riparius.

+ 40,000 Service Fee

\$ 712,964.85

COOL
INSURANCE MADE SIMPLE.

RESOLUTION REQUEST FORM NO. 20

MISCELLANEOUS

****Please List All Other Requests Not Covered by Previous Resolution Request Forms Here.
Please attach any backup information available and be as detailed as possible.***

DEPARTMENT NAME: Self-Insurance

DATE: 12/14/2011

- (a) Purpose of Request: Authorize the renewal of Employers Liability Specific Excess Insurance coverage with Capitol Indemnity Corporation for 2012

- (b) Details: Employers Liability Specific Excess coverage with Capitol Indemnity Corporation for 2012 in an amount not to exceed \$20,818 to be paid to TD Insurance as insurance broker.

- (c) Previous Resolution Number: R733 of 2010

- (d) Where are the Funds (if required)? List Budget Code, Object Code, Full Title* and Amount: S1710.469 Misc. Payments

Sample: A.8021 470 Planning & Community Development – Contract

* as listed in budget and LOGOS

EXCESS EMPLOYERS LIABILITY

Company: Capitol Indemnity Corporation
Policy #: TBD **Effective:** 01/01/12
Policy Type: Excess Employers Liability **Expires:** 01/01/13
Named Insured: Warren County Self Insurance Plan

Federal Employer ID Number: 14-6002576

LIMITS: \$950,000 Each Occurrence
\$50,000 Deductible each Occurrence including Claims Expense

Annual Premium: \$20,818

Includes Terrorism charge of \$204

Please refer to your policy for conditions and exclusions.

RESOLUTION REQUEST FORM NO. 20

MISCELLANEOUS

****Please List All Other Requests Not Covered by Previous Resolution Request Forms Here.
Please attach any backup information available and be as detailed as possible.***

DEPARTMENT NAME: Self-Insurance

DATE: 12/14/11

- (a) Purpose of Request: Authorize the renewal of Excess Workers' Compensation coverage with Midwest Employers Casualty Company for 2012

- (b) Details: Excess Workers Compensation coverage with Midwest Employers Casualty Company for 2012 with a deposit premium amount not to exceed \$136,854. to be paid to TD Insurance as insurance broker.

- (c) Previous Resolution Number: R732 of 2010

- (d) Where are the Funds (if required)? List Budget Code, Object Code, Full Title* and Amount: S1710.469 Misc Payments

Sample: A.8021 470 Planning & Community Development -- Contract

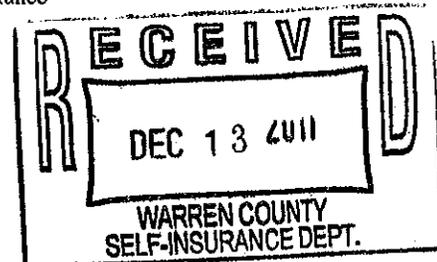
* as listed in budget and LOGOS



Updated 12/14/11 8am - AC
December 13, 2011

TD Insurance Agency
P.O. Box 406
Portland, ME 04112-0406
T: 877-396-3800 Personal Insurance
T: 800-723-2877 Business Insurance
www.tdbank.com/insurance

Amy Clute, Self Insurance
Warren County
1340 State Route 9
Lake George, NY 12845-9803



Re: 2012 Renewals

Dear Amy:

I am pleased to present the 2012 Excess Work Comp and Excess Employers Liability coverages, option and premiums.

Midwest Employers, the carrier for your Excess Work Comp policy, has increased their rate about 6.5% this year. As you probably know, the NYS Work Comp Board increased rates on an average about 9% this year citing medical inflation, costly medical breakthroughs and unfavorable trends in Work Comp (obesity in the workplace and all the co-morbidity issues affiliated, aging workforce, increased pharmaceutical usage and associated trends such as pain management therapies). These are the same issues which concern Midwest as an excess work comp carrier.

In looking at your account for renewal Midwest noted that last year you had just 1 claim over \$500,000, but this year there are two. In particular they noted the #5927 claim of '07 and the #5618 claim at \$800,000, along with the #6040 claim currently incurred at \$382,000. These claims have had a direct impact on their analysis.

I have shown their option of a \$1,000,000 limit for Employers Liability because Midwest has made a decision to no longer offer more than that in NYS. They are continuing to offer your quote with the \$2,000,000 limit in light of your overall performance and will continue to offer this to you through the 2013 policy term.

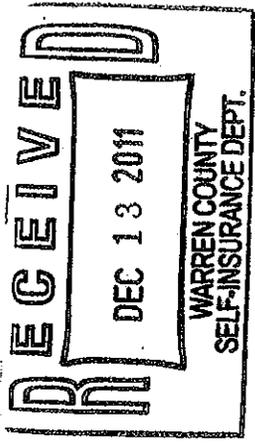
As for the Excess Employers Liability, the new carrier, Capitol Indemnity has done a really great job this year which helps a bit in the overall total increase of the two policies.

As always, I want to thank you for your continued business.

Sincerely,

Renee Baker, CIC, CSR
Vice President





2012 - RENEWAL PROPOSAL

PREPARED FOR:

WARREN COUNTY

PRESENTED BY:
TD Insurance Agency

Account Manager:	Renee Baker
Customer Service Rep:	Christine Smith
Address:	PO Box 1369 So. Glens Falls, NY 12803-1369
Phone:	800-659-0123
Fax:	518-761-2965
Date:	December 13, 2011

This is a convenient coverage summary, not a legal contract. Please refer to the actual policies quoted for specific terms, conditions, limitations, and exclusions that will govern in the event of a loss. In evaluating your exposures to loss, we have depended upon information provided by you. If there are other areas that need to be evaluated prior to binding coverage, please bring these areas to our attention. Should any of your exposures change after coverage is bound, such as new operations, hiring employees in additional states, buying more property, etc., please let us know so proper coverage(s) can be discussed. Higher liability limits may be available. Let us know if you would like a quote for higher limits.

Your policies may contain exclusions for terrorism and/or mold.

Printed: December 13, 2011

ACCOUNT SERVICE TEAM

Phone Number: 518-761-2900
Fax Number: 518-761-2965
Web Site: www.TDBank.com/Insurance

Commercial Account Manager: Renee Baker

Phone:518-761-2939
Toll Free:800-659-0123
E-mail:Renee.Baker@TDInsure.com

Commercial Account Representative: Christine Smith

Phone518-761-2938
Toll Free:800-659-0123
E-mail:Christine.Smith@TDInsure.com

Claims

Karen Devins, Claims Analyst 800-688-7256

OPTION:

Named Insured: Warren County Self Insurance Plan & Warren County Board of Supervisors

Federal Employer ID Number: 14-6002576

SPECIFIC:

Specific Limit: Statutory

Specific Retention: \$1,000,000

EMPLOYERS LIABILITY:

Employer's Liability Limit: \$1,000,000

Employer's Liability Retention: \$1,000,000

BASED ON PROJECTED PAYROLL FOR 2012: \$80,426,451

Rate per \$100 of Payroll: ~~.1649~~, .1617 updated 12/14/11. (JC)

Total Estimated Policy Period Premium: ~~\$132,623~~ 130,050-

Policy Period Minimum Premium: \$119,361

Includes ~~\$3,979~~ Terrorism Charge
3,902

EXCESS EMPLOYERS LIABILITY

Company: Capitol Indemnity Corporation
Policy #: TBD **Effective:** 01/01/12
Policy Type: Excess Employers Liability **Expires:** 01/01/13
Named Insured: Warren County Self Insurance Plan

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LIMITS: \$950,000 Each Occurrence
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Please refer to your policy for conditions and exclusions.

COMPANY FINANCIAL STABILITY

Companies	Rating	Financial Size Category
Midwest Employers	A+	XV
Capitol Indemnity	A	VIII

Explanation - Secure Best's Ratings

A++ and A+ (Superior): Assigned to those companies which (in the opinion of A.M. Best Company) have achieved superior overall performance when compared to the norms of the property/casualty insurance industry. A++ and A+ (Superior) rated insurers generally have demonstrated the strongest ability to meet their respective policyholder and other contractual obligations.

A and A- (Excellent): Assigned to those companies which (in the opinion of A.M. Best Company) have achieved excellent overall performance when compared to the norms of the property/casualty insurance industry. A and A- (Excellent) rated insurers generally have demonstrated a strong ability to meet their respective policyholder and other contractual obligations.

B++ and B+ (Good): Assigned to companies which have, on balance, very good financial strength, operating performance and market profile when compared to the standards established by the A.M. Best Company. These companies in our opinion have a good ability to meet their ongoing obligations to policyholders.

To avoid confusion of Best's Rating with the Financial Size Category, the latter is represented by Roman Numerals ranging from Class I (the smallest) to Class XV (the largest) as follows:

Financial Size Category	Adjusted Policyholders' Surplus (thousands of dollars)		
Class I	Up	to	1,000
Class II	1,000	to	2,000
Class III	2,000	to	5,000
Class IV	5,000	to	10,000
Class V	10,000	to	25,000
Class VI	25,000	to	50,000
Class VII	50,000	to	100,000
Class VIII	100,000	to	250,000
Class IX	250,000	to	500,000
Class X	500,000	to	750,000
Class XI	750,000	to	1,000,000
Class XII	1,000,000	to	1,250,000
Class XIII	1,250,000	to	1,500,000
Class XIV	1,500,000	to	2,000,000
Class XV	2,000,000	or	more

(Taken from A.M. Best Company, copyright 1993.)

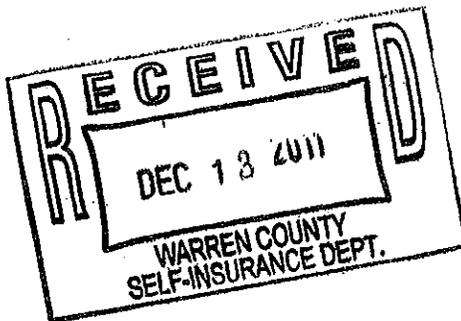
The Financial Size Category is an indicator of the relative size of an insurer based on its reported policyholders' surplus and conditional reserve funds. The size of risks, which an insurer may prudently underwrite, assume or retain, is closely tied to its reported policyholders' surplus, sometimes referred to as its capacity. To provide stability and safety, an insurer should limit its maximum loss exposure on a single risk (or group of related risks) to a relatively small percentage of its policyholders' surplus, normally 1% or 2% and only in very rare cases as much as 10%.

PREMIUM QUOTATION

Coverage	11-12 Premium	12-13 Estimated Premium
Excess Worker's Compensation	\$122,931	\$139,218 136,854
Excess Employers Liability	Annualized: \$21,993	\$20,818

Payroll Basis: \$79,463,821 \$80,426,451

<u>Year</u>	<u>Limit</u>	<u>Payroll</u>	<u>Rate</u>	<u>Premium</u>
2006	\$25,000,000 Limit	\$60,407,169	.31	\$187,262
2007	\$25,000,000 Limit	\$65,094,580	.284	\$184,934
2008	Statutory	\$67,442,242	.1916	\$129,219
2009	Statutory	\$73,465,093	.1724	\$126,654
2010	Statutory	\$74,217,401	.1675	\$124,314
2011	Statutory	\$79,463,821	.1547	\$122,931



TD Insurance, Inc. represents the insurer in placing your insurance coverage, and may provide services to you for that insurer. We will receive compensation from the insurer in connection with the placement of your insurance.

Warren County

I authorize TD Insurance Agency to bind coverage based on the Terms and Conditions in this proposal, with the following changes:

Client/Insured
Signature

Print

Reviewer Signature

Print

Date:

TD Insurance Agency
New York Compensation Disclosure
As required by Regulation 194

12/13/2011

Purchaser Name: Warren County

Effective Date of Coverage: 01/01/12

Issuing Company: Capitol Indemnity Corporation

Policy Type: Excess Employers Liability

The following disclosure is provided pursuant to Insurance Department Regulation No. 194 (11 NYCRR30.1 et seq.):

TD Insurance, Inc. also known as TD Insurance Agency is an insurance producer licensed by the State of New York. Insurance producers are authorized by their license to confer with insurance purchasers about the benefits, terms and conditions of insurance contracts; to offer advice concerning the substantive benefits of particular insurance contracts; to sell insurance; and to obtain insurance for purchasers. The role of the producer in any particular transaction typically involves one or more of these activities.

Compensation will be paid to the producer, based on the insurance contract the producer sells. Depending on the insurer(s) and insurance contract(s) the purchaser selects, compensation will be paid by the insurer(s) selling the insurance contract or by another third party. Such compensation may vary depending on a number of factors, including the insurance contract(s) and the insurer(s) the purchaser selects. In some cases, other factors such as the volume of business a producer provides to an insurer or the profitability of insurance contracts a producer provides to an insurer also may affect compensation.

The insurance purchaser may obtain information about compensation expected to be received by the producer based in whole or in part on the sale of insurance to the purchaser, and (if applicable) compensation expected to be received based in whole or in part on any alternative quotes presented to the purchaser by the producer, by requesting such information from the producer.

Printed: December 13, 2011